

Atlanta	9:00 P	Hong Kong	1:00 P	Osaka	1:00 P
Amman	11:20 P	London	11:55 P	Paris	11:55 P
Beijing	1:00 P	Madrid	11:55 P	Rome	11:55 P
Bombay	1:00 P	Manila	11:55 P	Tokyo	11:55 P
Buenos Aires	11:20 P	Seoul	11:55 P	Singapore	11:55 P
Calcutta	1:00 P	Taipei	11:55 P	Washington	11:55 P
Cairo	11:20 P	Yokohama	11:55 P		
Chengde	11:20 P				
Cebu	11:20 P				
Dhaka	11:20 P				
Hankow	11:20 P				
Hong Kong	1:00 P				
Kobe	11:55 P				
London	11:55 P				
Lyons	11:55 P				
Manila	11:55 P				
Medan	11:20 P				
Osaka	1:00 P				
Seoul	11:55 P				
Singapore	11:55 P				
Taipei	11:55 P				
Tokyo	11:55 P				
Yokohama	11:55 P				

ESTABLISHED 1887

The Global Newspaper
 Edited and Published
 in Paris
 Printed simultaneously in Paris,
 London, Zurich, Hong Kong,
 Singapore, The Hague, Marseille,
 New York, Rome, Tokyo, Frankfurt.

Herald INTERNATIONAL Tribune

Published With The New York Times and The Washington Post
 PARIS, FRIDAY, FEBRUARY 5, 1993

For Japan, Export Surge And No Will To Fight It

By David E. Sanger
New York Times Service

TOKYO — After years of negotiations to bring Japan's huge trade surpluses under control, the exporting machine that has fueled this country's reputation as an economic aggressor is roaring back to life and signs that some of Japan's biggest companies are stepping up their exports to survive one of the biggest economic downturns in recent Japanese history.

The increases in Japan's trade surplus with the world, and with the United States in particular, come at what Japanese officials describe as the worst possible time, just as the Clinton administration is facing its first demands from several industries that it provide protection from Japanese imports.

But this time, Japanese political leaders are not even bothering to launch the latest in their "Import Now!" campaigns — staples of the country's trade politics until recently — apparently out of fear that it would only reveal how helpless they are to reverse the huge increases of the past few months.

The size of the problem is likely to become

Yasushi Mieno, Japan's central bank chief, is now seen as too cautious. Page 11.

vividly evident on Friday, when the Japanese government is expected to release, with some dread, its trade totals for 1992.

Japan's surplus with the world is expected to hit \$136 billion, a record and more than twice the figure in 1990. The United States will account for roughly a third of the surplus, running a trade deficit with Japan of \$45 to \$47 billion.

That is still shy of the \$52 billion record set six years ago, but few here doubt that, if current trends continue, 1993 figures will break the past ceilings. The governor of Japan's central bank, Yasushi Mieno, said last week that the trade surplus "will inevitably continue to grow."

The result, many Japanese fear, is that government efforts to build a relationship with the new U.S. administration will be undercut even before they begin.

Over the past few weeks the U.S. ambassador to Japan, Michael H. Armacost, has quietly advised Japan's senior political leaders that their first meetings with the Clinton administration should include concrete proposals that promise to turn the figures around quickly.

While Mr. Armacost has steered clear of telling the Japanese what kind of new initiatives to offer or making them a condition of a first meeting, he has made it clear by implication that a major plan to spur government and private spending — and thus improve imports — would be the best way to avoid souring the first encounters with Mr. Clinton's economic team.

But so far, the Japanese government has shown few signs of heeding the advice. Officials have said privately that in a climate of corporate cutbacks and some of the country's first layoffs in a generation, Japanese companies cannot be persuaded to buy more foreign parts and components at the expense of their long-term relationships with their traditional suppliers.

Business executives are increasingly blaming the government of Prime Minister Kiichi Miyazawa for reacting far too slowly and sticking by a spending program that it devised months ago and that now appears extremely inadequate. Last week, Mr. Miyazawa conceded in the parliament that the government had badly misjudged the depth and severity of Japan's downturn. But the prime minister, his approval ratings in Japanese public-opinion surveys already at near-record lows, declined to commit himself to greater spending.

"There is a feeling that it is not nearly enough," said Yotaro Kobayashi, the chairman of Fuji-Xerox Co. Ltd. and a spokesman for the Keidanren, Japan's most powerful business organization. But Mr. Kobayashi also said that

See SURPLUS, Page 7



Helmut Schlesinger, the Bundesbank president, discussing the interest rate reductions.

Bundesbank Lowers Rates, Salvaging Currency Grid

A 'Welcome First Step,' But Problems Remain

By Tom Redburn
International Herald Tribune

PARIS — By easing its monetary policy at a critical time, the Bundesbank has helped revive the stalled drive for European economic and political integration. But the German central bank, analysts and officials said Thursday, needs to cut interest rates further in coming months to prevent any additional setbacks.

"It's a good political signal that comes at a moment when one was entitled to worry about the long-term stability of the European Monetary System," said Jacques Delors, president of the EC Commission.

But Mr. Delors, who called the move "the first sign of a reversing of the renationalization of economies," said that rates must still go substantially lower in Germany soon to help restore growth in Europe and salvage his hopes for the creation of a single European currency before the end of the decade.

Indeed, earlier in the day at a conference on economic and monetary union, Mr. Delors insisted that economic improvement was necessary to foster further European integration.

He said that if there was "no glimmer of hope" over the next few months, then European monetary union would "become impossible."

Independent analysts agreed.

"This is an extremely welcome first step," said Graham Bishop, a specialist on European monetary affairs at Salomon Brothers in London. "But it is insufficient to solve all the problems that are besieging Europe right now."

The Bundesbank's action came at a particularly important time for Denmark and France, two countries at the heart of the current debate over European unity.

In Copenhagen, where the krone has been under intense pressure in recent days, all the leading political parties announced an agreement Thursday to hold a decisive second referendum on the Maastricht Treaty on European Union on May 18.

Danish voters narrowly rejected the Maastricht agreement last June. That vote lifted the curtain on a series of dramatic political and currency crises that served to pull the props out from under the shakily constructed stage set of economic and monetary union.

To help rebuild the European model along the lines of the Maastricht blueprint, Danes need to be persuaded to reverse their vote. The treaty requires unanimous approval by all 12 EC members before it can come into effect. Only Denmark and Britain, whose Parliament will not vote unless Danes approve, have failed to ratify the agreement.

A devaluation of the krone, by undermining one of the strongest currencies still closely tied to the Deutsche mark, could be a fatal blow to the drive for a European monetary union.

"If the krone goes, Maastricht would probably be buried," an EC official in Brussels said, arguing that Copenhagen had been looking for a strong sign of support from its EC partners to help make the case for the treaty. "Why should the Danes vote to join a club that doesn't want them as members?"

Denmark, which holds the chair of EC president for the first six months of the year,

See ERM, Page 7

By Brandon Mitchner
International Herald Tribune

FRANKFURT — The Bundesbank answered Europe's clamor for cheaper credit Thursday, cutting its two key interest rates in a surprise move that was variously interpreted as being just in time, too soon, too little and too late.

The German central bank reduced its discount rate to 8 percent from 8.25 percent and its more market-sensitive Lombard emergency funding rate to 9 percent from 9.25 percent.

The cuts were immediately followed by similar reductions in Belgian, Austrian and Dutch official lending rates, and were welcomed by French and British officials.

Analysts said the Bundesbank had acted just in time to salvage what is left of Europe's exchange-rate mechanism, where speculative turmoil had forced the exit of the British pound and Italian lira and devaluations of the Spanish peseta, Portuguese escudo and Irish punt. In addition, the analysts said, the rate cuts should give European economies squeezed by persistently high interest rates some room to breathe.

Helmut Schlesinger, president of the Bundesbank, said at a hastily called news conference in Frankfurt. "We hope the speculation is now over." He described recent attacks on currencies as "an unfriendly domino game in which speculators knock down one currency after the next."

Only Monday, Mr. Schlesinger, quoting from a newspaper editorial, used the word "ignoramuses" to describe those who thought German rates were too high.

The German move trails a trend toward lower lending rates in other countries whose economies have been in slumps, including the United States, Britain, and Japan, which earlier Thursday cut its discount rate to an all-time low.

True to character, the Bundesbank tried to play down the international aspects of its action, calling the rate cut a reaction to "changing domestic and global economic conditions." Indeed, in its statement, the Bundesbank said almost as an afterthought that it hoped its decision "might also reduce tension in currency markets."

But international monetary analysts were of a different opinion. "I think probably the exchange rate mechanism was a much bigger factor today" than German economic considerations, Richard Reid, chief economist at UBS Phillips and Drew in Frankfurt, told Reuters.

And Rüdiger Pohl, the most senior member of the German government's council of economic advisers, said: "There would also have been major difficulties with the exchange-rate mechanism if Germany had not cut rates."

While Germany's neighbors celebrated, the reaction at home was much more subdued, and even critical. Some feared the Bundesbank had sacrificed its independence under international pressure to cut rates despite relatively high inflation. In addition, the cuts were variously criticized as being too soon because the federal government and unions had not yet proven their commitment to price stability, or too little and too late to give the German economy any immediate boost.

"It's hard to imagine this easing will have major economic stimulation effects," commented the Federation of German Industry, which said a larger interest rate cut at this time "would have been irresponsible given that risks to price stability are still high."

One domestic factor that may have swayed the Bundesbank to hasten its rate cut was the likelihood that Western Germany's public sector unions would accept a wage increase well below the levels critics originally sought.

Indeed, the OeV and DAG public sector unions agreed overwhelmingly last Thursday to accept an average 3 percent nominal wage increase, less than inflation, in their second round of discussions in Stuttgart.

The union had originally sought a 4.0 percent raise, and employers had offered 2.25 percent.

Last year, by contrast, the public sector squeezed out an average 5.4 percent raise only after months of negotiation and an 11-day

See RATES, Page 13

A Surprise Without Much Staying Power

By Carl Gewirtz
International Herald Tribune

PARIS — The surprise far outweighed the substance of the Bundesbank's cut in interest rates Thursday, analysts said, leaving open the question of whether the relief in the foreign exchange market was anything but temporary.

A buying frenzy erupted in European currency and short-term bond markets after the reduction, for which markets had given up hope, at least for this week.

The most dramatic effect was in Europe's exchange-rate mechanism, where tensions abated. Early in the day they had intensified when the Belgian franc joined the Danish krone and the French franc on the list of endangered currencies.

In announcing the cuts, Helmut Schlesinger, the Bundesbank president, said he believed the move would end speculation against currencies in the mechanism, which has become a recurrent event since the crisis last autumn that forced the pound and the lira to withdraw temporarily from the system and the peseta, the escudo and the Irish punt to be devalued.

Although officials in the major European capitals welcomed the cuts as an important signal of the further easing to come, the root problem of high interest rates at a time of rising unemployment and slowing economies remained untouched, analysts said.

"The Bundesbank's move was quicker than expected," said Matthew Brunson at Goldman Sachs in London, "but the magnitude was disappointing. While the immediate pressure is off the Danish krone and the French franc, it's not clear they won't re-emerge."

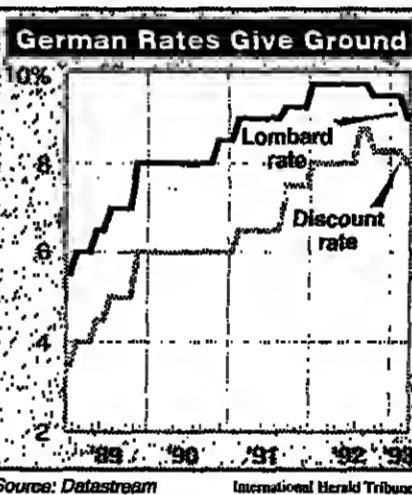
The mark's retreat was broad-based. The Danish krone, pinned to its floor level of 3.9016 to the mark on Wednesday, strengthened to 3.85 to the mark, aided by the Bundesbank's cut and a two-point rise in Denmark's discount rate earlier Thursday, to 11.50 percent.

The French franc firmed to 3.3846 to the mark from 3.3971 Wednesday.

The dollar also benefited, hitting a 10-month high at 1.6670 DM before closing in London at 1.6558, up a penny from 1.6455 Wednesday.

The Bundesbank's move lowered its market

See MARKETS, Page 12



Wall Street Stocks Set Record as Productivity Soars

By Lawrence Malkin
International Herald Tribune

NEW YORK — Reductions in international interest rates and further optimistic reports about the U.S. economy sent Wall Street to a new high Thursday. The Dow Jones industrial average caught up with other stock market indexes and closed at a record of 3,416.74.

Hesitant about the new administration and the course of the economy, investors moved into cyclical stocks, the economically sensitive issues that are a large component of the Dow, which hit its previous high of 3,413.21 last June.

Hopes of economic revival abroad also pushed up the stocks of U.S. multinationals.

"It is a sign of relief on the Continent and a sign of optimism in the United States," said Alan Ackerman of Reich & Co. He noted that the market at last seemed to be shaking off its doubts about the Clinton administration.

News of Germany's rate cuts, following closely on lower rates in Tokyo, coincided with more good news for the U.S. economy, notably a 2.7 percent increase last year in the productivity of factories, the biggest increase in 20 years. The government also reported a 5.3 percent increase in December factory orders. For the year, the rise was 3.3 percent.

The news about productivity was a two-edged sword for the president, giving him good news about the productive base of the economy and bad news about the smaller number of workers needed to increase output.

The flip side of this are the huge layoffs in major U.S. companies and the slow growth of employment throughout the economy. A report Thursday on unemployment claims for the week that ended Jan. 23 showed a decline of only 11,000, to 357,000, which did not suggest any improvement in the nation's labor market.

President Bill Clinton said the data released Thursday could mean faster growth, higher government revenues and a lower deficit, which would help solve one of his problems.

He added: "It could mean we'll have more jobs, which is the real issue. But we don't see it yet."

Last Thursday, a U.S. Treasury official said that the Group of Seven would hold a get-acquainted session of economic policymakers this month or early in March. The meeting should be held in Europe and will have no fixed agenda. No announcements were expected to emerge the talks, the official said.

Kiosk

GM Loses \$105 Million Damage Suit

General Motors Corp.'s stock fell sharply as investors grew concerned about the long-term repercussions of a \$105 million damages award against the automaker. (Page 11)

A jury in Atlanta awarded a Georgia couple the damages after it found GM negligent in the 1989 death of their son, whose 1985 GMC pickup truck exploded after it was rammed in the side by another truck.

GM is under an investigation to determine whether 4.7 million pickup trucks with side-mounted fuel tanks should be recalled. The vehicles have been involved in more than 100 fire deaths.

General News
 Europe must rethink planned defense cuts, officials say. Page 2.
 A U.S. judge in New York is Mr. Clinton's choice for attorney general. Page 3.
 Indonesia is buying a third of the navy of the former East Germany. Page 7.

Leisure
 It's a buyer's market for tourists in Bangkok after last year's crisis. Page 8.

Business/Finance
 Montedison is likely to sell pharmaceutical interests to Procordia. Page 11.
 Campbell Soup got more of Arnotts. Page 15.

Dow Jones
 Up 42.95
 3,416.74

Trib Index
 Down 0.13%
 90.39

The Dollar

New York	Three days	Previous close
DM	1.6575	1.6452
Pound	1.4415	1.436
Yen	124.82	124.40
FF	5.6045	5.575

Crossword Page 18.

Shedding Light on Europe

Russia's space mirror, untried in orbit early Thursday, cast a dim patch of light that crossed the Pyrenees to Belarus in about six minutes. But the experiment dismayed some astronomers who said it could disrupt research.

Page 7.

To Quiet Critics, U.S. Eases Stance on Plan for Bosnia

Clinton Seeks Time to Weigh Alternative

By Thomas L. Friedman
New York Times Service

WASHINGTON — The Clinton administration, in an effort to defuse criticism that it was undermining international peace efforts for Bosnia without having an alternative of its own, tried Thursday to soften its complaints about the plan put forward by UN and EC mediators and asked for more time to produce its own policy.

The White House also insisted that although President Bill Clinton was not taking part in the discussions of his national security advisers over what to do in Bosnia, that did not mean he was not involved or abreast of the situation.

"He's being kept fully informed on what the decisions are," said Dee Dee Myers, the White House press secretary. "There are some things that are debated on a staff level and looked at. The president is fully informed about the process and he'll continue to work with them."

Ms. Myers denied that Mr. Clinton was trying to block the plan developed by the European Community secretary, and the United Nations mediator Lord Owen, a former British foreign secretary, and the United Nations mediator Cyrus R. Vance, a former U.S. secretary of state.

She said that Mr. Clinton "is just now saying that if the parties agree to it, that he would support it." But so far, she noted, not all the parties have agreed to block the plan.

"He's not trying to block the plan," Ms. Myers said, adding that Mr. Clinton "supports the process, and supports the good work that Lord Owen and former Secretary Vance have done."

"The president will lead but at this point he's considering his options," she said.

The Vance-Owen plan would divide Bosnia-Herzegovina into 10 semi-autonomous provinces — three mostly Serbian, three mostly Croatian, three mostly Muslim and one mixed — connected by a loose central government.

Representative Lee H. Hamilton, Democrat of Indiana and chairman of the House Foreign Affairs Committee, said Thursday that he would like to see the White House be "more positive and forthcoming in support of the Vance-Owen effort."

"To say that you support it if all the parties support it begs the question, because clearly all the parties don't support it," Mr. Hamilton said.

"The underlying fact here is that no leader is prepared to massively intervene in the former Yugoslavia with the kind of resources we used in the Gulf to throw back aggression," he said, "and if you are not prepared to intervene in that fashion then you have to deal with less forceful means and work within them."

Secretary of State Warren M. Christopher said that it was only prudent that the administration take its time and consider carefully all of its options before moving one way or another in the Balkans.

"In Bosnia," Mr. Christopher said, "we've inherited one of the most difficult foreign policy problems that can be imagined, I think one of the most difficult that I've ever known."

"I make no apologies for the fact that we're

See OPTIONS, Page 7

In New York, 'Zoo' Enters the Lexicographic Doghouse

By Francis X. Clines
New York Times Service

NEW YORK — The New York Zoological Society, having decided that the word "zoo" has become an urban pejorative with a limited horizon, is dropping the word from its parks, including the Bronx Zoo and the Central Park Zoo.

They are to be called "wildlife conservation parks" beginning Monday, said William Conway, president of the society. Mr. Conway concedes he risks greatly bestirring much of the urban menagerie beyond the 10,000 creatures of the zoo. But he says he must do something about the little word.

"I've been here 37 years, and it's like changing my father's name," he said. "But it's about time."

After arguing over the idea of casting aside "zoo" for the last two years, the society's directors finally agreed with Mr. Conway that the time had come to make the serious point to the city and the world that the society runs much more than zoos, with 158 conservation and research projects flourishing worldwide.

"It goes far beyond what you see at the zoo," said Mr. Conway, unable himself to drop the word during an interview.

"It's short and snappy — zoo — and we know we created a problem," he said. "But in 'The American Heritage Dictionary' the word zoo has a secondary meaning of a situation or place marked by rampant confusion or disorder."

"We are not confused or disordered. And it's really too late for the simple idea of conventional zoos. We need a sea change."

"Calling Yankee Stadium 'the Bronx Zoo' is the kind of thing I'm talking about," he said, referring to an era of disorder among the New York Yankees when George S. Steinbrenner ran the baseball team.

"The other day a friend asked a taxi driver to take him to the Central Park Zoo," Mr. Conway recalled. "The guy said: 'Which zoo? The whole city's a zoo.'"

The 96-year-old society is so set on its course that it does not even want to see the word in its own title and is officially changing its name to NYZS/The Wildlife Conservation Society. The Bronx Zoo, the city's best-known, will even lose the word "Bronx," becoming the International Wildlife Conservation Park.

Questioned about possible confusion resulting among the city's *Homo sapiens*, Mr. Conway apologized a bit but said he hoped New Yorkers would come to realize the changing world implicit in the new title.

What's in a Name? Balkan Expansion, Greeks Fear

By Alan Cowell
New York Times Service

SALONIKA: Greece — Stavros Georgopoulos, a fishmonger here in Greek Macedonia, was prying apart layers of frozen soil with all the surgical delicacy that a screwdriver permits as he talked about his neighbors in the former Yugoslav republic that is also called Macedonia.

"We should dig out the tomahawk and go on the warpath," he said, brandishing the screwdriver like a battle-ax. "Ask anybody here — we should go put the boot in. They have stolen our name."

Selling mussels at his side, his daughter, Sassa, cast him a glance as cold as his wares. "Yes, but it's too late," she said. "We should have started that earlier. When I shouted for war, you were sleeping."

He suggested, somewhat abruptly, that she return to selling mussels.

The small exchange said something about the mix of bravado and bitterness that has seized Greece's second city, which is balanced on an old Balkan fault line.

Trouble has come to the door, without invitation or welcome, bringing bold talk of war as people wonder whether they are next in line for Balkan combustion. And all be-

cause of a name — and the powerful ripples of its history.

Salonika is the capital of Greece's northern province, Macedonia, the birthplace of Alexander the Great.

Just to the north there is a smaller area, the former Yugoslav republic of Macedonia, that is seeking international recognition under that name.

Like most other Greeks, the Macedonians here do not like that at all, saying recognition of the state under its existing name would embolden it to claim Greek Macedonia and other territories for a "Greater Macedonia" — "greater" being one of those epithets that conjure all the Balkans' worst bogeys of expansionism.

Moreover, the Macedonia to the north is made up of Slavs and Albanians, who are historically distinct from the Macedonians of Alexander the Great.

Thus, for a year, Greece has prevailed upon its European Community partners to withhold recognition that the former Yugoslav republic says it needs in order to secure its frontiers in a region of territorial ambitions.

Now, though, the Macedonia to the north has taken its campaign to the United Na-

tions, drawing diplomats into convoluted attempts to wrest a compromise without upsetting Greece, which has long been a Western ally.

To many of Greece's allies, the dispute seems an abstruse irritant: Why, after all, should a NATO ally of 10 million people worry about a land of 2 million people with no army and not much of an economy?

But the dispute has deepened the sense among Greeks that however the question is decided, trouble will follow, if only because it always has.

Bulgaria had designs on Macedonia in the late 19th century, and Macedonia was embroiled in two Balkan wars at the beginning of the 20th century. In World War II Bulgaria, then an ally of Nazi Germany, occupied part of northern Greece. And in the Greek civil war in the late 1940s, Tito sought to piece together a Communist "Greater Macedonia" from Yugoslavia to the Aegean Sea.

"The generation that went through this war still remembers these things, and it's natural that the Greek people should be very sensitive concerning this issue," Prime Minister Constantine Mitsotakis said in an interview.

The Greek pressure is also intended to persuade Kiro Gligorov, the leader of Mac-

edonia, to delete allusions in the constitution to eventual union with territories belonging to Albania, Greece and Bulgaria, and to abandon emblems of Macedonia that Greece considers its own, for instance the 16-pointed Star of Vergina.

Moreover, Greece wants to halt whoever it is in Skopje, the capital of the former Yugoslav republic, who is mailing maps to people in Salonika showing their land as part of "Greater Macedonia." Such practices, Greeks say, provide evidence that the republic will show the same expansionism that Serbia has shown.

Mr. Mitsotakis said Greece wanted the republic to win wider recognition as a nation, "but we don't want it to create problems." For the former Yugoslav republic, however, what the Greeks are asking for is the satisfaction of 40 years of teaching, promoted by Tito, to implant Macedonian nationalism.

At the United Nations, the United States, Britain and France have urged Mr. Gligorov to accept recognition as the Former Yugoslav Republic of Macedonia while the issue is mediated. Mr. Gligorov says that is unacceptable, a stand Mr. Mitsotakis calls "dangerous intransigence."

U.S. Experts Are Split on How Best to Help Russia

By Elaine Sciolino
New York Times Service

WASHINGTON — Reflecting the complexity of Russia's problems, one of the CIA's most senior analysts has laid out the divisions within the intelligence community and among independent Western and Russian experts on how best to reform Russia and promote its nascent democracy.

George Kolt, the national intelligence officer for Russia and Eurasia, told a Senate panel Wednesday of three broad areas of disagreement over the degree and pace of reform. His testimony illustrates how difficult it will be for the Clinton administration to reach a consensus on a strategy for Russia as it begins its formal policy review.

Asked at a hearing of the Senate Armed Services Committee by Senator Sam Nunn, the Georgia Democrat and committee chairman, to describe the areas of greatest uncertainty and disagreement about the former Soviet Union inside the intelligence community, Mr. Kolt said the disagreements were widely shared both inside and outside government.

Politically, Mr. Kolt said, there was a debate over whether President Boris N. Yeltsin "should push for a breakthrough" by holding new elections and setting up a new constitutional system or whether it is better to stick to a "policy of compromise," of slower, more even movement.

Economically, he added, some analysts believe that "shock therapy" is the only way to reform the economy, while others hold to the view that radical change is too disruptive and that there has to be gradual change controlled by the state.

A third issue of disagreement, he said, relates to what is the greatest danger in Russia today, inflation or unemployment. Mr. Kolt said he and others share the view that inflation, which leads people to hold on to money less and less, is the worse problem.

Perhaps what was most interesting about his remarks was that he tended toward the optimistic end of the spectrum on the current reform movement. He rattled off a litany of positive developments, including the move toward privatization, the "lively media" and the increasing importance of the Constitutional Court.

"So much has been accomplished" in a peaceful way, he said, adding that Mr. Yeltsin's leadership has been critical in making political and economic tradeoffs and maintaining popular support.

But when questioned about whether Mr. Yeltsin was "our best hope" for a pro-Western Russian leader, Mr. Kolt offered praise but not exclusive support, saying that there were other reformers and entrepreneurs who were important.

At one point Mr. Kolt seemed to be promoting more aid for Moscow, saying that the Russians were asking the United States for \$26 million to continue a privatization effort.

But he also called the problem of Russia and the other republics the biggest American security concern for decades to come, and noted the downside: widespread crime and corruption, the absence of a concept of private property, a divided currency system, political infighting and the danger of hyperinflation.

WORLD BRIEFS

5 Austria Deputies Quit the Far Right
VIENNA (AP) — Five deputies from Austria's extreme-right Freedom Party have defected and formed their own group, three days after the party's political defeat in trying to win support for an anti-foreigner petition.

One of the five was Heide Schmidt, 44, the party's vice president and leader of its moderate wing. She was also the third-highest leader in parliament and had opposed the party's petition from the start. She said Thursday that she and her four colleagues "could no longer identify with the extreme positions" of the party's leader, Jörg Haider, who was once the rising star of the Austrian right.

Belarus Ratifies Disarmament Pact

MINSK, Belarus (Reuters) — The parliament in the former Soviet republic of Belarus ratified the START-I treaty Thursday at a closed session during which deputies demanded more help from Russia to cover the cost of disarmament.

The outcome left Ukraine as the only former Soviet republic yet to ratify the Strategic Arms Reduction Treaty pact, under which Russia assumes responsibility for what was once the Soviet nuclear arsenal.

Parliament also approved Belarus's adherence to the Nuclear Nonproliferation Treaty, underscoring its wish to be a nonnuclear state.

Tapes Sealed in India Riot Inquiry

BOMBAY (AP) — A court battle was under way Thursday over tapes of police radio dispatches during Hindu-Muslim riots last month that allegedly show the police supporting the Hindus.

The Bombay High Court ordered Wednesday that the 77 cassettes be sealed and held in police custody until it decides whether they can be used as evidence by a judicial inquiry into the riots, which swept the city for 12 days. About 600 people were killed and 1,200 injured.

According to a transcript of one of the disputed tapes, a voice from the control room instructed the police at the site of a burning Muslim-owned business to "let it burn." The transcript also quoted a Maharashtra, referring saying, "Don't burn anything that belongs to a Mahashtrian," referring to the Hindus of the state of Maharashtra, of which Bombay is the capital. "But burn everything belonging to a Mijyan," or Muslim.

China Releases 2 Dissidents Early

HONG KONG (APF) — China confirmed Thursday that it had released two imprisoned dissidents, one a former side of the deposed party secretary Zhao Ziyang, before the end of their prison terms.

They were Wang Xizhe, 43, a leader of the 1979 "Democracy Wall" movement, and Gao Shan, 37, a former economic adviser to Mr. Zhao, who was removed from power after Chinese authorities violently suppressed student demonstrations in 1989.

UN Envoy Leaves Haiti as Talks Fail

PORT-AU-PRINCE, Haiti (NYT) — Efforts by the United Nations to restore Haiti's elected government collapsed Thursday after three days of talks, as Haitian authorities rejected plans they previously accepted for the deployment of hundreds of human-rights observers.

A special United Nations envoy to Haiti, Dante Caputo, left the country Thursday after Haitian authorities presented him with a long list of conditions for their cooperation with international efforts to settle Haiti's 16-month-old political crisis.

Diplomats said the conditions — which included effective recognition of the military-backed government, the immediate lifting of a hemisphere-wide embargo and numerous restrictions on the role of the observers — would have virtually guaranteed the failure of efforts to end widespread human rights abuses in Haiti and restore the elected government that was overthrown by soldiers in September 1991.

TRAVEL UPDATE

Hamburg airport's main terminal was evacuated when an X-ray of a passenger's suitcase showed it to be filled with what the authorities thought was 20 kilograms of explosives. Embarrassed security officials acknowledged later that the bag contained only cosmetics, perfume and a computer. (APF)

Most cars were banned from central Prague on Thursday after smog levels exceeded accepted standards. Forecasters said that weather conditions should permit a lifting of the ban at the end of the week. (Reuters)

Three Muslim militants threw a bomb at an Egyptian bus carrying 15 South Korean tourists near the Pyramids on Thursday, but security sources said no one was hurt. The attack represented the latest in a series of attempts to sabotage the tourism industry. (Reuters)

United Airlines will offer 10 percent discounts on excursion fares to people 62 and older and for one companion of any age traveling on the same flight. The discount applies to travel on United flights throughout the United States, Puerto Rico and Canada. (Bloomberg)

A French union threatened a rail strike Monday night in anticipation of a verdict in the trial of an engineer for an accident at Gare de l'Est station in Paris in 1988. The union filed papers saying it planned to strike from 8:00 P.M. Monday to 6:00 A.M. on Wednesday. However, the strike is expected only if the engineer, Lionel Veniant, 33, is found guilty Monday for the crash in which one person died and 73 were injured. (APF)

Argentina has canceled Carnival, the period of feasting and revelry just before Lent, in an attempt to head off an outbreak of cholera. Lent begins on Feb. 24. (Reuters)

Amtrak and major U.S. freight railroads agreed to removing most legal and financial barriers to expansion of high-speed train operations nationally, including relief for freight companies from all passenger-train accident liability. The plan generally allows the use, after negotiations, of freight track anywhere in the country for passenger service at speeds to 150 miles per hour if Amtrak or governmental bodies pay for improvements and shield freight companies from legal liability. (WP)

Croats Stall, Serbs Say, As the Clashes Heat Up

Compiled by Our Staff From Dispatches

GORICA, Croatia — Serbian and Croatian forces pounded one another with artillery on Thursday in some of the heaviest fighting in a year along a narrow neck of land between the Serb-held Krajina enclave and Croatia's Adriatic coast.

Krajina's Serbian command said Thursday that it had stalled a two-week offensive by Croatian government troops after battering villages near the Adriatic with artillery fire.

"This is the worst day of fighting in more than a year," said Marko Bucic, whose shell-damaged farmyard in the Croatian village of Gornja lay just two kilometers from Serbian lines.

The Serbian claim was bolstered by Cedric Thornberry, deputy chief of the UN Protection Force, who said Serbian armored columns were preventing the Croats from

attaining all their objectives and had reconquered some territory.

There were these other developments in the Balkan war:

• Romania's quarrel with Serbia over use of the Danube continued Thursday with Bucharest complaining that Belgrade had detained four of its highboats, and Serbia vowed retaliation for Romanian sanctions. The Serbian transport minister, Zarko Katic, said, "We will not let Romanian vessels sail on the Danube if Romanians stop our ships from sailing on our stretch of the river."

• In Belgrade, public transport workers called off a two-day strike but threatened to resume their action if demands for a wage increase were not met by early next week, Belgrade city officials said. The workers demanded a 150 percent raise to compensate for soaring inflation and the effects of UN sanctions.

• The self-styled Bosnian Serbian republic of Krajina accused the United States on Thursday of insulting its leader, Radovan Karadzic, and said it would no longer guarantee the safety of U.S. citizens or journalists on its territory.

The Clinton administration severely restricted the movement of Mr. Karadzic, branded by Washington as a suspected war criminal, to a 10-block radius around United Nations headquarters in New York during peace talks. (Reuters, AP)



A Palestinian deportee getting a haircut from a fellow exile Thursday at their camp.

Christopher Plans Mideast Mission

WASHINGTON — President Bill Clinton said Thursday he was sending Secretary of State Warren M. Christopher to Israel and Arab countries later this month in an effort to get Middle East peace talks back on track.

Struggling off the setback of being forced to postpone regional Middle East peace talks scheduled for next week, Mr. Christopher said he was convinced Arab-Israeli negotiations could resume soon.

"I think we will see the resumption of the peace process at an early date," he said.

The negotiations have been suspended since Israel deported 415 Palestinians to a no-man's-land in southern Lebanon on Dec. 17. Its offer to return 100 earlier this week has been rejected by Arab governments and Palestinians as inadequate.

The White House communications director, George Stephanopoulos, read a statement from Mr. Clinton announcing the trip, which will take place Feb. 17-24.

"This is an historic moment," it said. "It can slip away all too easily, but if we seize the opportunity, we can begin now to construct a peaceful Middle East for future generations."

Mideast officials said Mr. Christopher would visit Cairo, Amman, Damascus and Jerusalem. He is expected to make stops in Western Europe afterward and meet Foreign Minister Andrei V. Kozirev of Russia.

Official Note of Vichy Crimes

PARIS — President François Mitterand has ordered that the persecution of Jews under the World War II Vichy regime be marked every year by a national day of commemoration on July 16, his spokesman said. That was the date on which, in 1942, police began to round up about 13,000 French Jews for deportation to the Auschwitz death camp.



Washington & World Business

Washington, D.C.
on
April 29-30, 1993

Plan to join the International Herald Tribune and the European Council of American Chambers of Commerce as they convene a major new conference, "Washington & World Business: Setting the New Agenda."

The program will include senior members of the new administration, influential representatives of American business, academia and the press.

For further information, please contact:
Jane Blackmore
International Herald Tribune
63 Long Acre, London WC2
Tel: (44 71) 836 48 02
Fax: (44 71) 836 07 17

Herald Tribune

Balkans Crisis Forces Europe to Reconsider Defense Cuts

By Joseph Fitchett
International Herald Tribune

PARIS — European governments must rethink planned cuts in their armed services if the West wants to be able to deploy enough troops to contain crises such as the fighting in the former Yugoslavia, officials said Thursday.

As a step back from smaller armies, the officials cited Britain's cancellation, announced Wednesday, of plans to disband four army regiments and to maintain the roughly 5,000 combat troops, who may be needed for United Nations peacekeeping operations.

This reversal, described by Defense Secretary Malcolm Rifkind as a small adjustment, will cost roughly \$100 million a year and will have to be paid for by cuts in the purchases of new weapons.

All the North Atlantic Treaty Organization allies face the same question, which has gained urgency with the escalating crisis in the former Yugoslavia: How to meet new military commitments, especially those involving large-scale peacekeeping, while defense budgets are being cut to stimulate economic growth.

But the answers shape up differently in the majority of European countries, which have conscript armies. In these countries, a smaller army implies a tougher army because the shrinkage represents draftees being eliminated from the ranks and a shift to professional forces.

The biggest uncertainties involve Germany, which has Europe's largest ground army, the biggest political tensions over the role of the armed forces in the post-Cold War era, and a ballooning deficit caused by the cost of reunification.

Germany stunned allied governments on Wednesday by announcing a cut of 860 million Deutsche marks (\$520 million) in military spending next year, including a freeze on new purchases of armaments.

Defense Minister Volker Rittig also indicated that German troop strength would be cut from 370,000, the ceiling set for united Germany, to perhaps 325,000.

Even before the news from Bonn, NATO's secretary-general, Manfred Wörner, warned allied governments that they were starting to stretch their forces too thin.

His comments came after a series of governments announced cutbacks, including these decisions:

- A cut in Britain's armed forces from 156,000 to 116,000 as part of a plan to reduce the \$35 billion defense budget by 5 percent over the next two years.
- A rough halving of the armed forces in the Netherlands and in Belgium, which already has halted most of its spending on military readiness, including air force training flights.
- Postponement by France, which is

maintaining its defense spending and troop levels, of plans to buy new arms with the major exception of Mirage fighter-bombers, which are candidates for lucrative export sales.

Germany's spending cuts will almost certainly jeopardize major European programs to develop advanced weapons, including a new, cheaper version of the Eurofighter jet that emerged from an earlier round of budget trimming. All of NATO's joint armaments programs, including an electronic air-defense system for Europe, have been frozen at the planning stage.

Modernizing weapons has become less important for European governments because of the demise of the Soviet threat, but they urgently need troops to cope with crises outside Europe.

Deep manpower cuts were bound to come with the end of conscript armies, which were the European model during the Cold War because they produced large

army reserves that could have waged a land war against the Red Army. But they were cumbersome as a weapon to cope with crises in the Third World, mainly because units containing draftees cannot legally be ordered into combat abroad.

The shift to all-volunteer, professional armies — which exist in the United States and Britain — is especially important in France and Germany, the two Continental powers and key allies for Western-led UN operations.

Raw numbers, however, tell only part of the story about military capabilities, officials said. For one thing, every soldier committed to a peacekeeping mission really involves three soldiers, because of the need for troop rotation.

In the Gulf War, the most acute shortage for the allies was not numbers but specialists, from surgeons to transportation specialists, who are never available in any peacetime army in adequate numbers.

Matsushita (Yes, an Electronics Firm) Announces an Anti-AIDS Product

By Paul Blustein
Washington Post Service

TOKYO — Now here's a corporate announcement that you don't see every day — especially not from a company like Matsushita Electric Industrial Co., the maker of Panasonic, Technics and other brands of electronic goods.

"ANTI-BACTERIAL MATERIAL FOUND TO HAVE ANTI-VIRAL PROPERTIES ... Effective Against HIV, Herpes, Measles Viruses," read the headline on the Matsushita press release issued Thursday.

What's going on here? Has Matsushita, the world's biggest videotape recorder company, found the cure for AIDS?

No, not by a long shot. But it has discovered a substance that may offer at least some interesting applications, such as making toilet seats free of the herpes virus. And since the stuff can deactivate HIV,

the AIDS-causing virus, in a test tube, Matsushita said it would "make the substance available for research."

The Osaka-based company is an unlikely source of medical breakthrough: its traditional forte has been making low-cost versions of other companies' electronic goods.

Last spring, Matsushita scientists developed the substance, which is called Ametitop, an anti-bacterial powder with special properties that allow it to be mixed into plastic.

The company was trying to devise a method for making its appliances free of bacteria. It sells electric dish dryers, for example, a popular item in Japan, which are prone to bacterial growths that spread to peoples' dishes. So Matsushita figured that by mixing Ametitop into the plastic, it would have a unique selling point: a dish dryer that won't spread bacteria to dishes the way other brands do.

Last May, it began selling the first germ-resistant dish dryer.

In subsequent months, Matsushita also introduced an Ametitop cordless phone and personal fax machine. Then it conducted joint research with an Osaka University professor, Shigeharu Ueda, to see if Ametitop was effective both against bacteria and viruses.

They found that Ametitop is indeed "effective in inactivating" cer-

tain viruses, including the ones that cause measles, herpes and AIDS.

What that means is that in a laboratory test tube, the presence of Ametitop will keep these kinds of viruses from spreading. It doesn't mean that a medicine has been found that will cure AIDS.

"It's most effective in the lab against herpes," said a Matsushita spokeswoman, Jane Sweeney.

But how could it be used in the real world? "Well, we're into speculation here," she said. "But HIV, you know, can only be transmitted through bodily fluids. Herpes can be transmitted through things like toilet seats. So, it's very very speculative — but we do happen to be in the toilet seat business, and maybe we could make better ones."

"Matsushita does not intend to enter the pharmaceutical business," she said. "But it's obviously our dream that an effective medicine could be developed from this."

French specialists reacted skeptically on Thursday to Matsushita's announcement that it had developed a silver compound that could curb the progress of HIV, as well as of herpes and measles, Agence France-Press reported from Paris.

Matsushita said that the compound could serve as "an infection-preventing condom lubricant."

Specialists at both the Fernand Widal autotoxin center and the Pasteur Institute said that although silver is a disinfectant, it is also a poison that cannot be used on humans in large doses.

Silver is one of hundreds of common substances — including bleach — that have a curbing effect on HIV in laboratory experiments, but cannot be used on patients, said one of the specialists.

"In any case," he said, "such an announcement is a totally useless, irresponsible exercise."

UNIVERSITY DEGREE
BACHELORS • MASTERS • DOCTORATE

For Work, Life and Academic Experiences • No Classroom Attendance Required

(310) 471-0306
FAX: (310) 471-6456

Call or write for information or send detailed resume for Free Evaluation

Pacific Western University
600 N Sepulveda Blvd, Dept. 23
Los Angeles, CA 90049

Harvey's New York Bar
EST. 1911 PARIS

THE OLDEST COCKTAIL BAR IN EUROPE™

Just tell the taxi driver, "Send me to Harvey's"

PARIS: 5, rue Daunou GENEVA: Confédération Center
BERLIN: Grand Hotel Esplanade

150 من الاموال

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

Bosnia Policy, Carefully

With his cheeky, almost condescending lecture to a new American president, Lord Owen has, in effect, welcomed Bill Clinton to the big leagues. The former British foreign secretary, as vain as he is smart, has decided to see if he can get the novice to swing at a trick pitch—a "googly," they call it in cricket. Mr. Clinton would be well advised to look very carefully at what his British guest is throwing and to take this opportunity to sharpen his diplomatic reflexes before he responds.

The Federal Structure

The new president and America's governors got off to a good start. The governors were supportive of the president—any number described his problems sympathetically as "damning"—and he of them in turn. Perhaps that should come as no surprise, since he has only just begun his term and until last month was one of them. But more was at work here than politeness.

Shots for the Children

The Clinton administration is beginning to grapple with one of America's most pressing and embarrassing health problems: the frightfully low immunization rate among preschoolers. In certain pockets of the country, fewer than half of all children receive the vaccinations they need—a record little better than strife-torn Haiti's. When very young children are not immunized, contagious diseases surge. The measles epidemic of 1989-1990, afflicting children under 5, was proof of that.

The Time to Head Off a Trade War Is Now

By Leonard Silk

MONTCLAIR, New Jersey—Fears are spreading that the Clinton administration is moving toward a trade policy so aggressive as to unleash protectionism and a trade war among the major industrial countries.

During the campaign, Bill Clinton was ambiguous about what trade policy he would pursue. On one side, he proclaimed support for an open world economy based on free trade principles; on the other, he courted business and

Flirting with protectionism is flirting with a world catastrophe.

labor by promising a highly aggressive campaign against foreign countries and companies accused of wiping out American jobs.

Mr. Clinton and his aides now seem to have come down on the aggressive side. The administration has threatened to block sales to the government of European telecommunications and power-generation equipment and a wide array of services, charging that the European Community has run a buy-Europe policy against American products.

His trade representative, Mickey Kantor, declared that the United States might withdraw from the government-procurement code of the General Agreement on Tariffs and Trade.

Has Mr. Clinton crossed the Rubicon—or is this just a get-tough threat to get the Europeans and Japanese back to serious bargaining on measures to open markets?

Some economists who advised Mr. Clinton during the campaign say they are not sure if he is bluffing. But his advisers, including those in the administration, are split into two camps: one urging essentially free trade, the other managed trade, aimed at opening markets abroad with threats of retaliation if foreign governments will not yield.

Laura D'Andrea Tyson, new chairman of the Council of Economic Advisors, contends that managed trade, not free trade, is the only viable alternative in the real world to protectionism.

While Mr. Clinton stays remarkably silent on the trade issue, many American industries are seizing what they see as an opportunity to push on an open door for federal protection or trade relief.

Pressures are rising from producers of steel, autos, oil, semiconductors, weapons, movies, textiles and apparel. Mr. Clinton is running out of time to make up his mind. Producers' demands will drive him to protectionism, which will spread as foreign countries retaliate, as they have already started to do.

If he intends to hold to his general endorsement of an open world trade policy, he must act now to block protectionist demands.

How can the president do so? By declaring that he will press to bring the Uruguay Round talks of GATT to a successful end, and then by moving to strengthen GATT as an instrument

for freer trade and investment for all nations. Protectionism feeds on world recession, sluggish growth and unemployment. Mr. Clinton must go for growth, abroad as well as at home.

This means acting immediately to gain the cooperation, not the hostility that will stem from a beggar-my-neighbor trade policy, of U.S. trading partners, including Japan, Germany, Britain, France, Italy, Canada and Mexico.

Expansion by the industrial countries is crucial to nourish growth in the rest of the world—and provide markets and resources to prevent the economic and political disasters threatening the Third World and the ex-Soviet empire. Flirting with protectionism is flirting with a world catastrophe. The United States should take the lead in building a more open global economic system.

The next and more difficult stage will require that other nations address the internal regulations, monopolistic practices and structural differences that are now the principal impediments to the expansion of trade and investment.

But if others, Japan and Germany most of all, do not lend greater support to a U.S. effort to strengthen the world trading system, protectionist pressures will intensify and the only alternative may be a highly inefficient form of managed trade, in which national power rather than economic choice will determine, and distort, trade—in the harm of consumers and producers everywhere.

The writer, now retired, was from 1969 to 1992 economics columnist of The New York Times, to which he contributed this comment.

Balkans: Band-Aids Could Guarantee an Epidemic

By Flora Lewis

DAVOS, Switzerland—If some UN-sponsored agreement should manage to halt fighting in Bosnia for now, the chances for a general Balkan war are greater than the chances for peace unless a much broader settlement is imposed.

That is the view of the Albanian president, Sali Berisha, who is convinced that nothing short of direct international intervention will stop Slobodan Milosevic from continuing his fight for an "ethnically cleansed" Greater Serbia once the Bosnian conflict dies down.

Mr. Berisha, 48, is his desperate country's first democratically elected leader. He came to the World Economic Forum here to plead for a better understanding of the Balkan threat. He calls for quick recognition of Macedonia with international guarantees of its independence, and UN control, preferably with NATO forces, of Kosovo to reduce tension and launch a dialogue between its Serbian masters and the 90 percent ethnic Albanian population.

"I'm against changing any borders," he told me, "but Albania would resist any ethnic cleansing in Kosovo by all means."

These seem drastically unrealistic demands in the current context. Yet a visit to Kosovo and Macedonia a week ago brought me to the same conclusion. The step-by-step, bucketful-by-bucketful attempts to douse Balkan fires as they flame up are doomed to disaster; the fires cannot be isolated. There has to be a regional approach. As time goes on, finding one will become harder and costlier.

Mr. Berisha reacts angrily to the newly popular assumption that the Balkan peoples with their mixed and interspersed communities have always hated one another and cannot be stopped from killing each other off. "I'm disappointed in Europe," he said, "this black hole that is devouring peoples." He also said, "I consider myself a European."

The old idea of a large Balkan confederation, in which Serbia and Greece would have important roles, appeals to him. "I favor all integrative processes," he said, "but it can't be done in the near future."

First, stability has to be restored. The Macedonian president, Kiro Gligorov, told me the same in his capital of Skopje when I was there.

Both these men, the heads of weak, frightened countries, understand that the need for peace is much greater than the need for nationalistic righteousness. They are eager to find neighborhood tolerance. Both are pessimistic unless there is forceful international intervention.

Both are convinced that Greece really wants a border with Serbia, as a bulwark against Turkey and Bulgaria, and is opposed to the idea of an independent Macedonia, not just to its name. Yet Mr. Gligorov sees nothing more important for his country than good relations with Greece, which would surely benefit as the bub of Balkan trade and the link to Western Europe. Salonika would be the area's natural port and the center of transport and communications networks crucial to the region's development.

People with nationalistic ambitions and a craving for vengeance are reviving old hatreds. There are also people who look forward, inspired by the European Community, to a vision of a peaceful, prosperous continent, including them. But they feel helpless and abandoned in the face of militant forces and the cynical exploitation of communal passions.

They look to Washington now because the Community will not act and the initiative to reverse the tide of war has to come from outside. It will not appear spontaneously. It is not just a matter of punishing Serbia, but of imposing rules of behavior respectful of everybody's rights to everybody's advantage.

Religious, ethnic and traditional ties are pulling in the opposite direction. The statement in Davos by Prime Minister Viktor Chernomyrdin of Russia that his government would oppose any use of force against Serbia is ominous. Other traditional participants in the Balkan imbroglio will also be driven by popular emotions to take sides. There is no time for the United States to wait and see what happens.

There is an urgent need to recognize that the dimensions of the problem go far beyond the current areas of fighting, atrocities and deliberate creation of refugees. Military protection is required at obvious flashpoints. Diplomacy must seek stabilization and accommodation in a larger context.

Sadly, reconciliation has to be left for later. But it must be the longer goal, and it will only be possible in terms of the new set of political values that Europe proclaims for itself and that the United States professes to support.

© Flora Lewis.

Branca Thinks 'All Sides Are Wrong'

By Leslie H. Gelb

VITEZ, Bosnia-Herzegovina—The Hercules from Split leveled off over Sarajevo, then dove for the airport to make itself a harder target. The Brits met me on the tarmac and deposited me in what they call a "soft-skinned vehicle"—a non-bulldozed Land Rover—and we headed past endless checkpoints to UN headquarters at Kiseljak. "You can't slow down," Sergeant Chris Vale said. "I gives them time to think."

In Kiseljak, the Cheshires picked me up and stuffed me into a Warrior, a monster of a fighting personnel carrier straight out of "Star Wars," for the hour's drive to their headquarters in Vitez. The 600-troop Cheshire battalion is the heart of the British contribution to the UN Protective Force in central Bosnia.

The Cheshires escort humanitarian convoys throughout the heartland of Bosnia-Herzegovina. They are a principal part of the United Nations' qualified success story in this God-forsaken country, where in a matter of months the United Nations has increased aid to 1,500 metric tons of food and medicine per day from 600.

UN efforts and a relatively mild winter have spared most of the 1.5 million refugees in central Bosnia from freezing and starving. Life is barely bearable here, but it is far better than in Sarajevo.

Resisting the brutal Serbian siege, that ancient city has become the symbol of Muslim survival. But if Sarajevo is the heart and soul of old Bosnia, the interior is its whole body.

What I saw here in three days is hard for me to comprehend. You drive past a village of prosperous green farms, peaceful and quiet and peopled by Muslims, Croats and Serbs. You pass towns like Novi Travnik and see a mosque, a Catholic church and a Greek Orthodox church within yards of one another. You also see burned-out houses smoking next to tidy, untouched farms. The killing and terror here are highly personalized, unlike the indiscriminate destruction of Sarajevo.

"There are kids on the street, so it's safe," say my Cheshire guides. Or: "It's not peaceful here. There's trouble." Too peaceful is no good.

Everything is hopelessly mixed and mixed up. The people all look like one Balkan family, at least to an outsider. They are all Slavs—sons of

thousands intermarried and intermingled. Neighbors kill and rape neighbors, as the world now knows.

But more and more, "villagers" come to these central outposts to "commit the crimes" that familiar neighbors will not. Some are eastern Herzegovinian Croats—Ustashi, or Nazis, dressed in black. But the Croat brigade commander in Busovača looks me in the eye and says he knows nothing about Ustashi.

The Muslim brigade commander in Travnik does not deny that military aid and soldiers are coming from other regions of Bosnia and from places like Iran and Afghanistan. Some Bosnian soldiers are even calling themselves mujahidin, or holy warriors. Since traditionally secular Muslims here feel they are being killed simply for being Muslims, they are becoming "real" Muslims for the first time in their history.

As the fighting spreads, the nasties of all ethnic stripes are taking control of everyday life. The guys with the guns become the police, who become the criminals and the terrorists. Even the Vance-Owen peace talks breed more killing. All sides have stepped up the fighting to control more land—in the unlikely event of a peace settlement in Geneva.

Almost without exception, United Nations officials and soldiers here to help the Bosnians believe that all sides are equally guilty.

The UN soldiers I talked with believed deeply in their limited humanitarian mission—and argued vehemently that it would be insanity for the West to try to solve the problems here with force. "We must be here," insisted Lieutenant Colonel Bob Stewart, the Hollywood-hand-some commander of the Cheshires, "but we must not get sucked in."

Yet I remember most the lament of my interpreter, Branca, a Serbian woman: "Tell people that a young girl on the ground, a nobody, thinks all sides are wrong, that only individuals are right, that the military just wants to shoot, and that the politicians—who always care only for themselves and who live even better while the rest of us die—that the politicians are the worst of all."

The New York Times.

Putting Relief Workers Out in Front

By Morton Abramowitz

WASHINGTON—Nations usually send soldiers to carry out the duties of war, including protecting civilian populations under terrible conditions. Today nations let international relief workers be their sentinels instead of sending soldiers to protect civilians caught up in war or unending violence.

In Somalia, food and other necessities did not reach the starving for many months because the warring elements grabbed the supplies

sometimes difficult to distinguish between civilian and military populations or to identify "legitimate" military targets. But there is no denying that in Sarajevo and numerous other locations in Bosnia, the civilians are the targets.

Military forces are besieging cities and villages and preventing the delivery of relief supplies to perhaps a million people. This has gone on for more than six months. So has the incessant shelling of the civilian populations. Some 40 to 60 civilians are killed in Sarajevo every week by sniper fire alone.

Winter decimates the two most vulnerable segments of society: the young and the old. The unending siege, which has severely reduced rations and cut utilities, will leave much of the population dangerously susceptible to disease.

Two UN Security Council resolutions pledged to ensure delivery of the resources that the civilian population required. The provisions remain unfulfilled.

The delivery of supplies has been left largely, although not entirely, to humanitarian agencies. Relief workers have to cross military lines, negotiate checkpoints and do everything necessary to deliver the goods. Sometimes they can ride around in armored cars, but often these are not available. Frequently their convoys have been turned back, or their supplies confiscated, or both.

The military escorts being provided more frequently in the past few months are not sufficient in strength to guarantee delivery, even if it were within their mandate. Military helicopters are badly needed in winter when roads become impassable, but they are not available.

Such are the odds facing the new centuries of the UN High Commissioner for Refugees, the Inter-

national Committee of the Red Cross and the small number of private voluntary agencies active in eastern Bosnia.

Not even in the international negotiations at Geneva has the world insisted that the lifting of the sieges on civilian populations be a precondition for continued peace talks in Bosnia. The omission will do little to enhance prospects for any stability among antagonistic ethnic groups. Nor has any country made that a prerequisite of its own policy on Bosnia. The job of war relief is largely left to relief organizations.

Not surprisingly, the burden and the blame continue to fall on the international agencies. The burdens magnify their limitations; the blame is unfair. To be sure, these agencies are frequently unable to deal with humanitarian crises in ambiguous political situations arising out of war or internal disorder. They are usually understaffed in the field, underfinanced, and sometimes insufficiently zealous.

Some shortcomings are inherent in the nature of UN organizations. But their weaknesses make all the more incredible the international community's continued insistence that they do what soldiers are supposed to do, that civilians should be put in harm's way before soldiers.

Relief workers are expected to work in difficult conditions—that is their mission in life. But there are limits. The miracle is that they continue to do their jobs and risk their lives in places like Bosnia.

The writer is president of the Carnegie Endowment for International Peace. He contributed this comment to The Washington Post.

Miyazawa Deserves Better

By Gregory Clark

TOKYO—If a country is judged by the company it keeps, then the current U.S. brushoff of Kichii Miyazawa says a lot more about the United States than it does about the Japanese prime minister.

During the Reagan-Bush years, every effort was made to treat Japanese leaders with courtesy. Prime Minister Noboru Takeshita was an honored guest in the White House even when it was clear that he was tainted by the scandal of corruption.

Today, corruption is more obvious. Mr. Takeshita has been linked to most of the major scandals to emerge here in the past five years. But for the deaths and suicides of several associates and secretaries in recent years, he might well be facing indictment.

His predecessor, Yasuhiro Nakasone, was never as mired in scandal, though he had his close brushes. In his youth he was a strident nationalist, violently opposed to the "pollution" of U.S. occupation; he pushes the nationalist cause even today. Still, he was able to claim a first-name relationship with Mr. Reagan.

In Mr. Miyazawa, we have the first genuinely internationalist, morally aware, intellectual-minded prime minister to emerge in Japan. He is thoroughly pro-American, with a daughter married to a State Department official. But reports say he will not even be invited to the United States until Japan makes progress toward reducing its trade surplus with America.

Does the United States even begin to understand Japan?

The all-powerful Liberal Democratic Party has long been divided into the money men and the moralists. Amid the corrupt feudalism of Japanese politics, the money men have had the advantage. But since World War II, moralists like Mr. Miyazawa have had two things going for them.

One was a new revolution for the money-tainted militarist doctrines of prewar Japan. This helped a generation of well-educated progressives to move into important positions in the bureaucracy and elsewhere. As a young Keynesian economist in the Finance Ministry recruited into politics in the 1950s, Mr. Miyazawa was typical of this group.

The moralists' other asset was that the money men were simply too corrupt for their own good. Japanese media and prosecutors usually show little enthusiasm for unearthing political scandal. But occasionally the smell is too powerful to ignore. When the media or prosecutors do move, so many money men are caught with their fingers in the pot that the governing party has no choice but to turn to a moralist as leader.

This is how Takao Miki became prime minister in 1974, following the scandals surrounding Kakuei Tanaka. And Toshiaki Kaifu and then Kichii Miyazawa moved into top posts after the Recruit scandal in 1989.

The White House has long favored those on the money side of Japanese politics, who were generally considered amenable to U.S. anti-Communist strategies in Asia. These people can afford to hire lobbyists to help develop links to top U.S. political circles. The Mikis, Kaifus and Miyazawas have, for the most part, been left on the sidelines.

Today the money men lead a strident campaign for Japan to amend its pacifist constitution and expand the use of Japanese troops abroad in UN support roles. This gives the money men a cloak of ideological respectability, but it also helps distract attention from the latest scandal, involving alleged payoffs by the Sagawa Kyubin trucking group.

The money men contend that under the UN Charter, if Japan gains permanent membership on the Security Council, it will have to provide troops for UN military activities.

Mr. Miyazawa and his small band of moralist allies have categorically opposed any change in the constitution. They supported sending troops to back the UN effort in Cambodia. But they are less keen on seeing troops shipped off to more distant points. Such moves, they say, have more to do with bolstering the morale and image of the Japanese military than with saving the world.

Mr. Miyazawa's position would be helped if the West would make it clear that a permanent seat on the UN Security Council would not impose on Japan, or Germany for that matter, any automatic obligation to participate in UN military activities.

A prompt and friendly invitation to Mr. Miyazawa to visit the United States—while making clear that Washington was unhappy about the trade situation—would also help.

International Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: Italian Courtesy

ROME—It has been finally decided that the squadron which will visit English ports in return for the compliment paid to Italy by the presence of British warships at Genoa during the Columbus celebration last autumn shall be commanded by the Duke of Genoa. It will consist of two divisions, and include the four most powerful battleships in the Italian navy.

1918: Wilson vs. Wilson

LONDON—The Morning Post expresses satisfaction with the "on with the war" resolution of the Supreme War Council at Versailles: "It is reassuring to know that the Allies have emphatically declared their unaltered conviction that the only way to peace is still through an unflinching prosecution of the war to victory. They brush aside all illusions that the enemy has been so zealously encouraging, and that the Bolsheviks of all nations have been so avidly enter-

1943: Praise for Stalin

WASHINGTON—[From our New York edition:] President Roosevelt sent a warm message of congratulation tonight (Feb. 4) to Premier Josef V. Stalin on the "brilliant victory" achieved by the Russian Army at Stalingrad. The President said that "all Americans are celebrating today one of the proudest chapters in our war of the peoples united against Nazism and its emulators."

سكنا من الامم

OPINION

From the Other George, A Warning for Clinton

By William Safire

WASHINGTON — "The obstacle to everything I want to do," Bill Casey told me in 1984, "is George. When I expressed surprise that George Bush had asserted himself, the CIA chief gruffed: 'No, no, the vice president is on our side — it's George Shultz who stands in the way.'"

Now we are beginning to see how the principled resistance of the best cabinet officer in recent history failed to save two American presidents from the blundering and deceit that so tarnished their reputations.

Was President Ronald Reagan aware that his agents were offering Iran a ransom of arms to buy back hostages? Was George Bush a full participant in that demeaning decision, despite his frequent protestations of being "out of the loop"?

The answer to both questions, according to the first part of former Secretary of State Shultz's memoirs, excerpted this week in Time magazine, is a dismaying "yes." His eyewitness evidence shows that Mr. Reagan lied to himself, sticking to a script denying reality. Mr. Bush lied only to investigators and the public.

On Nov. 9, 1986, Mr. Bush tried to sell Mr. Shultz the cover story about the strategic importance of Iran. Mr. Shultz reminded him that 10 months earlier, Mr. Bush sat mute while Mr. Shultz and Secretary of Defense Caspar Weinberger vigorously opposed any arms-for-hostages deal. Mr. Shultz put Mr. Bush on notice that he could not truthfully claim ignorance, which caused "considerable tension between us."

Next day, Admiral John Poindexter, the national security adviser, broke the news to the secretaries of state and defense that Mr. Reagan had signed a "finding" months before to try to legalize the shipments of missiles.

Mr. Shultz asked incredulously: "If the missiles had been sent in the context of hostage releases, 'how can you say this is not an arms-for-hostages deal?' The president jumped in with, 'It's not linked!' but Mr. Poindexter undercut that fake excuse with a revealing counter-question: 'How else will we get the hostages out?' As Mr. Shultz writes now: 'In this flash of candor, Poindexter had ripped away whatever veil was left to the notion of a 'changed Iran' as the rationale for our arms sales.'"

officials — Mr. Casey, Bud McFarlane and his successor at the security council, Mr. Poindexter, abetted by Mr. Bush — manipulated a hostage-obsessed president into (a) an appeasement of kidnappers, and (b) a conspiracy to keep this shameful dealing from lawful oversight.

This was compounded by the diversion of arms sales money to the Contras, but Mr. Casey probably did not let Mr. Reagan and Mr. Bush in on that.

What does this look into the Shultz book tell us about the Bush presidency? First, that George Bush — as he repeatedly denied knowledge of the ransom scheme — was living a lie.

Second, it explains James Baker's dejection of Mr. Shultz, his predecessor at the State Department. Mr. Shultz had officially reprimanded John Kelly, the ambassador who conspired with the White House cabal to circumvent the secretary of state in the arms deals; but Mr. Baker promoted Mr. Kelly to head the Near East Bureau.

Bud McFarlane's deputy, James "Jock" Cowey, probably helped the Iranian appeasement alog; Mr. Baker brought him into State as Mr. Kelly's deputy. (Ironically, Mr. Kelly and Mr. Cowey also led Mr. Baker and Mr. Bush into Iraq; these two Joe Buspicks of diplomacy still sup at the public trough.)

Third, it shows how much damage one ultracreative, anti-democratic national security aide can get away with: Mr. Poindexter, convicted by a jury of five counts of misleading, obstructing and lying, walked free on appeal.

What warning does the Shultz memoir hold for the Clinton administration? Only this week, the man Mr. Clinton chose to head the CIA refused to promise the Senate that he would notify Congress of a covert action finding within 48 hours of its signing.

James Woolsey claimed that the administration did not know whether a notification requirement would be "constitutional." Apparently Mr. Clinton wants the same freedom from oversight exploited by Mr. Reagan and Mr. Bush.

These guys never learn. Congress should hold the CIA nomination hostage to a written guarantee of no more executive buccaneering. But measures can only do so much; we can hope that among the members of the Clinton National Security Council there is at least one person with the integrity and guts of George Shultz.

The New York Times.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.



But Don't Forget the Weirdos Next Door

By Suzanne Bergerac Roth

UPPER MONTCLAIR, New Jersey — The New York City Schools chancellor, Joseph Fernandez, has altered his stance on teaching about gay and lesbian lifestyles. Among other measures, he booted the book "Heather Has Two Mommies" out of the "Children of the Rainbow" curriculum.

always suspected Mom had a bad self-image. Who wouldn't in an oppressive patriarchy that glorifies an idealized feminine form? But now Jamalrah makes the messy discovery that Mom's bulimia is everybody's problem.

another, but in Timmy's family Mom is just plain bored. A story that will make kids of all ages feel safe about a very common secret.

MEANWHILE

make a mint healing old people with crystals at the local astrum. Now it's their spunky entrepreneurial daughter's chance to turn a tidy profit by reading kids' auras for their lunch money in the school cafeteria.

Mom picks the kids up after school and gives them cookies and helps with their homework. The kids watch TV while Mom makes dinner.

LETTERS TO THE EDITOR

Handouts and Subsidies

Regarding "Needed: Hard Currency for a Social Safety Net in Russia" (Opinion, Jan. 5) by George Soros: After living and working in Moscow for two years, I know that no amount of Western aid, whether it be \$10 billion or \$500 billion, can get the former U.S.S.R. out of the quagmire which it has put itself in.

wood hope how earnest they are. They have produced the most barbaric war the world has seen in 50 years.

So when some kindly negotiators sit with them in Geneva, and ask them to please refrain from violence, all we get from them is a smile and a handshake.

Clearly, these children lack proper knowledge of German history.

Ms. Kooz says that their teachers are no longer politically minded. Nobody suggests that these youngsters be instilled with feelings of guilt or shame because of misdeeds of the past.

Double Standards

It is indeed a double standard for the United States and its allies to punish Iraq while allowing Israel to slip out from under a United Nations resolution that demands the repatriation of the Islamic militants it deported.

Life Without a Lift

Regarding "Waiting for a January Lift" (Meanwhile, Jan. 19) by John L. Phillips: When I was in my 50s I lived in a fifth-floor apartment, without elevator, for five years. So I feel qualified to give a few helpful hints on how to survive until the new elevator is installed.

Hindu Revivalists

Regarding "India: The Nation's Democratic Identity Is at Stake" by Sumanda K. Datta-Ray (Opinion, Jan. 8): I cannot let pass the statement that the Hindu revivalist Bharatiya Janata Party, or BJP, demands that "all Indians — including Muslims, Christians and Sikhs — be designated Hindus."

Tolerating Intolerance

Regarding "Germany Seeks to Strip Nazis of Political Rights" (Dec. 10): I am struck by the difference between how Germany and the United States handle intolerance. I recall innumerable instances in the United States where the Ku Klux Klan was supported in its right to free speech by the American Civil Liberties Union.

And Instilling Tolerance

In this final decade before the third millennium, humanity has a unique opportunity and responsibility for global change, and for taking practical initiatives to build a better, safer, more humane future.

Keeping Ghosts at Bay

Regarding "A Cultural History on German Memory" (Back Page, Jan. 13) by Joan Dupont: The account of the American historian Claudia Koonz on schoolchildren's reactions when visiting the former concentration camp of Buchenwald is disquieting.

Stop Punishing the Iraqis

Regarding the editorial "A Policy to Prod Iraq" (Jan. 22): Why can't everyone leave Iraq alone? For humanity's sake, you should use the precious space in your newspaper to publish articles on the unconscionable punishment of the destitute Iraqi people.

SIEMENS NIXDORF

One of Europe's most successful bankers.

Winning services produce winning results. Reliable and easy-to-use self-service systems that not only dispense cash, but also provide information, handle money transfers, supply cheques, process passbooks, offer loan advice and more.



Bancs stands for full networking facilities, application programmes, systems integration and service provisions to cater for every need. Whether for head office or branch, whether for payment transactions, financial or office applications, Siemens Nixdorf develops unrivalled solutions offering the sort of first-class service that wins over customers.



Synergy at work

Siemens Nixdorf Informationssysteme AG Department RDZ 11/P20 Würzburger Straße 121 W-8510 Fürth / Germany

U201816-42111-1-7800 MENZENDORF + PARTNER

ASIAN TOPICS

Despite Urban Growth, Japan Got Greener in 20th Century

Japan's forests and farmlands have marginally increased in size over the past century despite the spread of cities and industry, according to a new survey.

Likewise, increasing amounts of farmland on Hokkaido helped to make up for disappearing cultivated land in central and western Japan, the study said.

Around Asia

Pirate attacks in southeast Asia fell sharply last year because of increased surveillance, the International Maritime Bureau in London reports. The number of raids on shipping dropped from 107 in 1991 to 73 in 1992.

A 7-week-old baby with a long nose is drawing crowds of northern Indian villagers who believe the infant is an incarnation of the Hindu elephant-headed god Ganesha.

ants' house in the Sikh holy city Amritsar. The infant has a long nose, little if any upper lip, and — months before dentition normally begins — two teeth that protrude like tusks, the agency said.

A disgraced former bricklayer in the Beijing Zoo and his girlfriend were sentenced to prison after being convicted of "killing and devouring" three rare birds, according to the Xinhua press agency.

Five Manila bank robbers escaped the police by fleeing their loot to the winds in a crowded street, setting off a frenzied race for the cash that blocked the chase, officials said.

Arthur Higbee

Phnom Penh Bars UN Troops From Area of Fighting

PHNOM PENH — The Phnom Penh government barred United Nations peacekeepers from observing fighting near the Khmer Rouge headquarters of Pailin on Thursday, and renewed its threats to seize the guerrilla stronghold.

Phnom Penh's soldiers have attacked Khmer Rouge positions in northern and central Cambodia in the past two weeks to regain territory they said had been seized by the Khmer Rouge in violation of a 1991 cease-fire.

The Phnom Penh government said it would not withdraw unless the UN troops created a buffer zone or persuaded the guerrilla group to observe the cease-fire.



NEW ERUPTION FEARED — Workers removing bodies Thursday from the vicinity of the Mayon volcano in the Philippines. More than 40 people were killed when the volcano erupted Tuesday for the first time in eight years. Scientists warned of the possibility of a major eruption this weekend.

Tokyo Opposition Overruled on UN Troop Recall

TOKYO — Foreign Minister Michio Watanabe on Thursday rebuffed opposition demands that the government prepare to recall Japanese peacekeeping troops from Cambodia due to an increase in armed conflict.

Watanabe said in parliament. "We've got to make the best contribution we can while ensuring the safety of our force," he said.

The Khmer Rouge, blamed for repeated cease-fire violations in recent months, has refused to disarm or demobilize its troops in keeping with the UN-brokered peace agreement signed by four Cambodian factions in Paris in October 1991.

Prime Minister Kinichi Miyazawa tried to reassure them, saying, "Japan must not be involved in any armed conflict with the exception of self-defense."

THE AMERICAN SCHOOL OF PARIS

Annual Gala Benefit Evening hosted by United States Ambassador and Mrs. Walter J.P. Curley November 10th, 1992 We gratefully acknowledge the generous donors who made this evening possible.

ASSOCIATE SPONSORS

- AMERICAN EXPRESS, AT&T, AIG EUROPE, General Electric C&G, JONES, DAY, REAVIS & POGUE, RPMG, TGI, 3M, International Herald Tribune, NEUHAUS

The American School of Paris, founded in 1946, is one of Europe's premiere educational institutions, for students from pre-kindergarten through the International Baccalaureate degree.

REAL ESTATE MARKETPLACE

Real estate listings categorized by region: CARIBBEAN, PARIS & SUBURBS, USA RESIDENTIAL, REAL ESTATE TO RENT/SHARE, SPAIN, and others. Includes contact information for John Taylor and various agents.

Vertical advertisements on the right margin, including 'Indonesia One-Third Former Ea...', 'SURPLUS', and 'HOLIDAYS & TRAVEL SECTION'.

Indonesia to Acquire One-Third of Navy of Former East Germany

By Michael Richardson
International Herald Tribune

SINGAPORE — Indonesia will buy nearly a third of the former East German Navy, in a move that will improve its defenses but also disturb the military balance in the region.

A spokesman for the Indonesian armed forces in Jakarta said Thursday that his country would acquire 39 East German frigates, landing ships and minesweepers from Germany as well as three new submarines that Germany is building on order.

The vessels will improve Indonesian security in the face of a build-up of Chinese forces in the South China Sea. For Bonn, the sale is a way of getting rid of surplus arms while cementing good relations and securing business contracts with the fourth-most-populous nation.

The transaction is the latest purchase — either concluded or contemplated — by Asian countries seeking cut-rate arms now in plentiful supply from countries of the former Soviet bloc.

Reports of the transaction prompted immediate criticism in Germany from the Social Democratic Party, the main opposition group. Norbert Goessel, party spokesman on security affairs, attacked what he called Chancellor Helmut Kohl's "profligate weapons policy" and said that Indonesia should not get any military encouragement from its East Timor policy.

Indonesia invaded East Timor, a Portuguese colony in 1975 and annexed it the following year. The United Nations has not recognized the takeover of the territory, which is under tight military control.

Western diplomats said the sale also touches on controversy because it raises questions about German arms export laws, which forbid delivery of weapons outside the North Atlantic Treaty Organization if the purchasing country is in a "region of tension."

Only last week, the Federal Security Council, a panel of senior ministers headed by Mr. Kohl, blocked Taiwan from buying 20 German submarines and frigates valued at \$7.5 billion because of tension between the island and China.

Government sources in Bonn said that the council approved the sale to Indonesia because it is a member of the pro-Western Association of South East Asian Nations, which enjoys similar status to NATO under Germany's arms control laws, Agence France-Press reported.

The sale price was not disclosed, but Andrew Mack, professor of international relations at the Australian National University in Canberra, said he was sure that Indonesia was acquiring the East German ships at "absolute bargain prices."

He added, "They will get a relatively large navy for a relatively small number of dollars."

Bonn inherited an arsenal of Soviet-bloc ships, aircraft, guns and munitions when East Germany was united with the West in October 1990. Similarly, the collapse of communism in the Soviet Union and Eastern Europe created an enormous pool of surplus weapons.

A number of countries in Asia, including China, India and Malaysia, are looking to Russia as a major supplier of low-cost arms. South Korea, the Philippines, Taiwan and Indonesia also have shown some interest in Russian weapons. Pakistan is negotiating the purchase of 320 T-72 tanks from Poland.

Desmond Ball, an analyst at the Strategic and Defense Studies Center at the Australian National University in Canberra, said that whereas Cold War politics and alliance relationships once meant that the United States was the major arms supplier to the nonsocialist states, "cost is now a more critical variable than politics" for a number of countries in Asia.

Malaysia is reported to be close to a decision to buy 24 to 30 MiG-29 fighter aircraft and 6 Hind helicopter gunships from Russia in a deal valued at more than \$500 million.

In an attempt to dissuade the Malaysians, teams from McDonnell Douglas Corp. and General Dynamics Corp. were in Kuala Lumpur on Thursday for talks with Defense Minister Najib Razak. McDonnell Douglas is trying to sell its F/A-18 fighter jets, while General Dynamics was promoting its F-16 fighters.

The Malaysian defense minister said recently that Russia had offered to supply its most sophisticated aircraft, engines, avionics and missiles at substantially cheaper prices than those of their Western counterparts.

Derek da Cunha, a fellow at the Institute of Southeast Asian Studies in Singapore, said that some of the weapons were "very good value" and could fulfill the military roles required by Asian nations. He said that Asian interest in former Soviet bloc weapons was forcing Western arms suppliers to become more competitive.

Asia is one of the few growth areas in the world for military exports.



French troops leaving Brazzaville, Congo, on Thursday after ensuring the safety of French citizens during the Zaire Army mutiny.

Pressure Rises on Mobutu to Quit Power

By Kenneth B. Noble
New York Times Service

KINSHASA, Zaire — Adding a potentially explosive element to Zaire's political crisis, Prime Minister Etienne Tshisekedi called Thursday for foreign military intervention to help restore order here.

"What we need is foreign pressure, whatever it is, be it moral or physical," Mr. Tshisekedi said at a news conference in his first public appearance here since soldiers went on a rampage a week ago.

"I have launched this call because the Zairian Army is not disciplined," he added. "It does not respect the rule of law."

Mr. Tshisekedi's remarks came as diplomats from France, Belgium and the United States — Zaire's main creditors — held talks in Brussels to discuss ways of increasing pressure on President Mobutu Sese Seko to hand over virtually all control over the government to the prime minister.

Meanwhile, Marshal Mobutu reacted angrily to the appeal issued Wednesday by Zaire's Western creditors. He told the French news agency that Zaire's current political imbroglio was mostly the result of meddling by Mr. Tshisekedi and other opposition leaders. His creditors, the president said, were trying to punish the "fire brigade," while allowing the "arsonists to go free."

The growing friction between Marshal Mobutu and Mr. Tshisekedi is interpreted by African and Western diplomats as a virtual stalemate that can only be broken at the risk of considerable peril for either side.

"What makes this so dangerous," said an African diplomat, "is that neither side has shown any willingness to compromise. They would rather see this country go up in flames than appear to be the first ones to blink."

He added, "there's a lot of ego involved in this confrontation."

In a statement released Thursday, the Union for Democracy and Social Progress, Zaire's biggest and most influential opposition group, said Marshal Mobutu should be impeached for "high treason."

The group, which is led by Mr. Tshisekedi, said the president had committed "barbaric acts" to "cling to power by force against the peoples' will."

Left unaided was the fact that Marshal Mobutu has shown absolutely no inclination to yield power to his adversaries, and Mr. Tshisekedi on his own has no power or authority to make him do so.

Also unmentioned is that the president is in tight control of the armed forces, particularly the presidential guard, and as recent events have shown, has no qualms about using them.

Moreover, the diplomats said, although Zaire's Western creditors appear eager to get rid of Marshal Mobutu, no one appears to want to do so by force. Rather, the Western creditors are believed more likely to use sanctions and other economic tools to force Marshal Mobutu to yield power to the prime minister.

Still the call Wednesday by the Western creditors for Marshal Mobutu to yield power was significant because it was the first time that they had publicly suggested that the country would be better off without Marshal Mobutu altogether. Until now, the Western creditors had urged Marshal Mobutu and his opposition to find a power-sharing arrangement.

Zaire's current crisis, which has posed the most serious threat to the government of Marshal Mobutu in decades, began Jan. 28 when soldiers rioted after being paid in new high-denomination bank notes issued by the president, but outlawed by Mr. Tshisekedi and rejected by traders. The soldiers closed Kinshasa's airport and Congo River port, looting stores and private houses.

As the pillaging and unrest spread, France and Belgium flew in hundreds of troops to evacuate their citizens from the former Belgian Congo.

At his news conference Thursday, Mr. Tshisekedi said that under certain conditions he might be willing to accept the introduction of the new currency.

"In principle we accept the 5,000,000 Zaire notes," Mr. Tshisekedi said, "but only when I am in complete control of the Central Bank." Until then, said Mr. Tshisekedi, the money is not legal tender.

A bank note denominated at 5,000,000 zaires is worth about \$2.

Mr. Tshisekedi added that Marshal Mobutu was behaving as if Zaire's provisional parliament "does not exist."

Russian Space Mirror Unfurled, but Its Light And Future Are Dim

By Barry James
International Herald Tribune

Russia deployed an orbiting mirror of gossamer-thin plastic Thursday, briefly splashing a dim predawn glow across Europe but claiming nonetheless that such devices could one day be used to illuminate entire cities.

Some astronomers were dismayed by the experiment, which they said could damage sensitive instruments set to amplify light signals from space.

Peter Andrews, a spokesman for the Royal Greenwich Observatory in Cambridge, England, said the light, however faint, could cause havoc if it fell near telescopes.

Paul Murdin, president of an International Astronomical Union panel on the protection of observatories, said the experiment did not immediately threaten telescopes because it was on a small scale. But he added that he would like to see "sufficient safeguards" to protect astronomy if the Russians proceed with full development.

In 1989, astronomers strongly opposed a French plan to launch 100 reflective balloons in space to celebrate the centennial of the Eiffel Tower. That project ran out of money and got no further. Mr. Andrews said it looked as though the Russian experiment may go the same way, since Moscow has no funds to develop the concept.

"We need to collect money to continue the program," said Viktor Blagov, director of the Russian space flight control center at Kaliningrad.

The circular mirror, 20 meters in diameter and made of a layer of tough Kevlar material spun thinner than a human hair, was unfurled from an unmanned supply spacecraft alongside the Mir space station.

It shed a weak beam of deflected sunlight across Lyon, Geneva, Bern, Stuttgart, Munich, Prague, Lodz in Poland, and the Belarussian cities of Brest and Gomel. Two cosmonauts filmed the beam from aboard Mir as it flashed across Europe in about six minutes.

The Russians seek to prove that constellations of huge mirrors can be deployed in orbit to light up northern cities and provide an emergency source of lighting in disaster areas.

The mirror was visible in the sky as a bright spot, according to witnesses in southern France, but it did not effectively illuminate the ground.

The mirror was all that was left of a once ambitious project to hold a solar sail regatta to Mars to mark the 500th anniversary last year of the discovery of America. Private teams in the United States, Europe and Japan failed to raise money for the adventure.

Scientists hold that sailing through space is possible because of a "solar wind" created by streams of light particles called photons. Science fiction writers have imagined great spacecraft waiting from planet to planet on the particle streams.

SURPLUS: No Will to Fight It

(Continued from page 1)

Japanese business was partly to blame for the resurgence of the trade surplus.

After asserting for several years that the Japanese economy was rapidly shifting away from overdependence on exports and that trade surpluses were in steady decline, Mr. Kobayashi and other business executives now concede that many of Japan's biggest companies are trying to export their way out of Japan's economic troubles.

A few, when promised anonymity, say that the "fundamental reforms" that the government asserted through the late 1980s were illusory, and that the progress American companies made to become suppliers to Japanese industry had been halted, and in some cases eroded.

"There is no question that we overestimated how broadly we could bring about structural change" in the way Japanese companies operate, Mr. Kobayashi said.

At the same time, Japanese officials have clearly grown more edgy about the new administration in Washington.

On Thursday the chief cabinet secretary, Yohei Kono, said at a press conference that he was worried that Washington "is moving in the direction of restricting imports item by item."

ERM: Move Is 'Welcome First Step'

(Continued from page 1)

recently shifted its government from a conservative market-oriented alliance to a Social Democrat-led coalition. Since the previous government won a series of special provisions at the December EC summit meeting in Edinburgh, opinion polls in Denmark have registered a clear shift in favor of the treaty.

But the result may still be in doubt if Denmark is hit by further economic turmoil.

"We haven't won yet," Foreign Minister Niels Haveng Petersen warned earlier this week. The May 18 date selected by the new prime minister, Poul Nyrup Rasmussen, is three weeks later than the April 27 date favored by the previous government.

For Paris, the Bundesbank's move should help sustain backing for the franc until legislative elections next month. That vote is expected to show a collapse in support for the Socialist government led by Prime Minister Pierre Berégovoy and open the door to shift to one likely to be headed by Edouard Balladur from the center-right.

The Bundesbank, which has often been accused of trying to undermine a single currency in order to maintain its own monetary hegemony over Europe, sought to dispel such charges at its press conference Thursday.

bank's vice president, said he did not believe that the exchange-rate mechanism was "any obstacle" on the way to European economic and monetary union.

He also underscored the Bundesbank's support for a fixed relationship between the franc and the Deutsche mark.

"I don't think it would be at all helpful if the French franc were floated, even temporarily," he said.

Richard Reid, chief economist at UBS Phillips and Dreyfus in Frankfurt, told Reuters, "I suspect the Bundesbank did not want to be in a position where everybody said it was obviously the Bundesbank's fault that the whole thing was coming apart."

The French government welcomed the German rate cut, but hinted that it would also like to see further action. It gave no indication of whether the Bundesbank move was sufficient to allow Paris to cut French borrowing costs as well.

Similarly, an official at the Bank of Italy told Bloomberg Business News that the German rate move "was the right thing to do," but was "pretty modest."

For Italy, which is now outside Europe's currency grid and which cut its own discount rate on Wednesday night to 11.5 percent from 12 percent, the Bundesbank did not go far enough to provide any additional leeway in easing monetary policy.

Hans Tietmeyer, the Bundes-

The plummeting pound

Clinton tax plans

Trade disputes on the boil

Continued war in the Balkans

The Palestinian deportee crisis

... news events which affect all our lives. Shouldn't you be following them daily in the IHT?

Subscribe **48%** and save up to **48%** off the newsstand price

CALL US TOLL-FREE IN FRANCE: 05 437 437
GERMANY: 0130 848585
SWITZERLAND: 155 57 57

Or send in the coupon below:

INTERNATIONAL CLASSIFIED

Today's HOLIDAYS & TRAVEL SECTION

Appears on Page 9

ANNOUNCEMENTS

VALENTINE MESSAGE CONTEST

FEBRUARY 14th

START THINKING UP YOUR MESSAGE!

and contest to place 1

Tel Paris 231-46 37 93 95
Fax 331-46 37 93 70
In the US Fax 212-752-0789

ANNOUNCEMENTS

THE IHT IS NOW AVAILABLE IN MANY U.S. CITIES ON DATE OF ISSUE

New printed by satellite transmission in New York the International Herald Tribune is now available for day-of-publication delivery to your home or office in most cities of the following:

Atlanta, Boston, Chicago, Denver, Detroit, Houston, Los Angeles, Miami, New York, Philadelphia, San Francisco and Washington DC.

For speedy mail delivery, subscription copies also are flown directly to Jacksonville, Phoenix and Seattle.

In the U.S.A., call TOLL FREE 1-800-882-2884

In New York, call (212) 752-3890

or write to:

INTERNATIONAL HERALD TRIBUNE

630 Third Avenue
New York, NY 10022
Tel: 212-752-0789
Fax: 212-752-0785

MIRA SCHON, The most informed of writers in 2100+ exclusively of WASHINGTON - leading news show - 15, Rochester, 02111 21 25

PERSONALS

SHERY STEPHENSON IN JAKARTA: Stop breaking the law and bring your love back to America now. Use **THE THANK YOU Secret** instead of Java and Saint John for lovers overseas. Java, continue to look over us. J.C.

MOVING

AGS INTL MOVING

A.G.S. LONDON (44-21) 961 7995
A.G.S. PARIS (33-1) 40 80 20 40
A.G.S. BERLIN (49-30) 429 28 45
A.G.S. NEW YORK (212) 752-3890
A.G.S. VIENNA (43-22) 582 555

INTERDEAN INTERNATIONAL MOVING

FOR A FREE ESTIMATE CALL PARIS (1) 39569000

BUSINESS SERVICES

LONDON ADDRESS BOND STREET, Tel: 01 499 9192 Fax: 499 7317

BUSINESS OPPORTUNITIES

OFFSHORE

BY LAWYERS FROM 0175

One of the world's largest registration agents can provide professional Notaries, Administration, Banking and Registered Office Services. For a complete brochure, contact us.

Fax UK 71 352 2340
General Enquiries: 01753 97284
Seagrave House, 12 Seagrave St., Colchester Essex CO1 1GL
Tel UK 71 352 2274.

FINANCIAL INVESTMENTS

FUNDING PROBLEMS?

Western Capital - Equity Loans Real Estate Finance Loans Term Finance Loans available with 0% interest. Action Business Corporation Fax or Call Debra Souders Tel: 1-800-271-2120

SERVICED OFFICES

N.Y.C. ADDRESS-PARK AVE. First-class New Offices opening worldwide. Action Hotel available with 0% interest. Fax: 212-971-8811, Fax 212-971-2096 USA.

EMPLOYMENT

EXECUTIVES AVAILABLE

EXPERIENCED SWEDISH generalist (M&A) and accounting, operations, marketing and international company. Multilingual and entrepreneurial. Fax +46 8 150 300 32.

EXECUTIVES AVAILABLE

FRANCE, 36 YEARS OLD an Int'l management consultant, English/Spanish. German media position in Int'l environment. Available to France and Paris. Please write, Miro, 4 rue Foch de la Tour du Par, 75008 Paris

GENERAL POSITIONS WANTED

WELL TRAVELLED EUROPEAN born Italy, educated, energetic, multilingual, American citizen with excellent credentials. Good record corporate media position as social companion to lady/gentleman. Likes to travel. Mrs. Alice Brennan, c/o Mrs. Keffene Lewis, 230 East 71st St., Apt. 5K, NYC, NY 10021, USA. Tel: 212-755-3402

ATTRACTIVE MALES, 28, experienced, single, job of interest, travel USA. Free to travel. Tel Paris 1-4302845

AUTOS TAX FREE

EUROPE AUTO BROKERS, Inc
Tel Holland 011 5422-6494 Fax 011-5422-6494

LEGAL SERVICES

DIVORCE/FINAL in 1 day. No travel. Certified by U.S. Embassy. Divorce F.A. Box 904, Anaheim, CA 92802, USA. Call Fax 714 993-8204.

DIVORCE IN 1 DAY, No travel. Write Mrs. S. G. Gentry, MA 01717, Tel: 603-882-5222, Fax: 603-882-5222.

DOMINICAN ATTORNEY divorce since 1972 - Box 6422, Washington DC 20025 USA Fax 202-785-3607-278

Country/Currency

Country/Currency	12 months + 2 months FREE	6 months + 1 month FREE	3 months + 13 FREE issues
Austria A.Sch.	5,800	3,200	1,700
Belgium B.F.	12,000	7,100	3,900
Denmark D.Kr.	3,200	1,900	1,050
Finland F.Mk.	2,200	1,200	650
France F.F.	1,800	950	545
Germany (West) G.Mk.	685	365	200
Great Britain G.P.	610	415	217
Ireland I.R.	190	105	58
Italy It.L.	65,000	36,000	20,000
Japan J.Y.	220	120	66
Lebanon L.L.P.	400,000	250,000	120,000
Netherlands D.	710	390	215
Norway N.Kr.	3,200	1,800	980
Portugal Esc.	45,000	25,000	13,750
Spain Pes.	45,000	25,000	13,750
Switzerland S.Fr.	590	330	180
Sweden (Central) S.Kr.	2,200	1,200	650
Sweden (East) S.Kr.	3,200	1,800	980
Switzerland S.Fr.	590	330	180
Rest of Europe, N. Africa, former French Africa, Middle East	680	345	-
Gulf States, Asia, Central and South America	780	430	-
Rest of Africa	800	485	-

Yes, I want to start receiving the IHT. This is the subscription term I prefer (check appropriate boxes):

12 months (364 issues in all with 52 bonus issues).

6 months (182 issues in all with 26 bonus issues).

3 months (91 issues in all with 13 bonus issues).

My check is enclosed (payable to the International Herald Tribune).

Please charge my: American Express Diners Club VISA MasterCard Eurocard Access

CARD ACCT. NO. _____

EXP. DATE _____ SIGNATURE _____

Mr. Mrs. Ms. FAMILY NAME _____

FIRST NAME _____

PERMANENT ADDRESS: HOME BUSINESS _____

CITY/CODE _____

COUNTRY _____

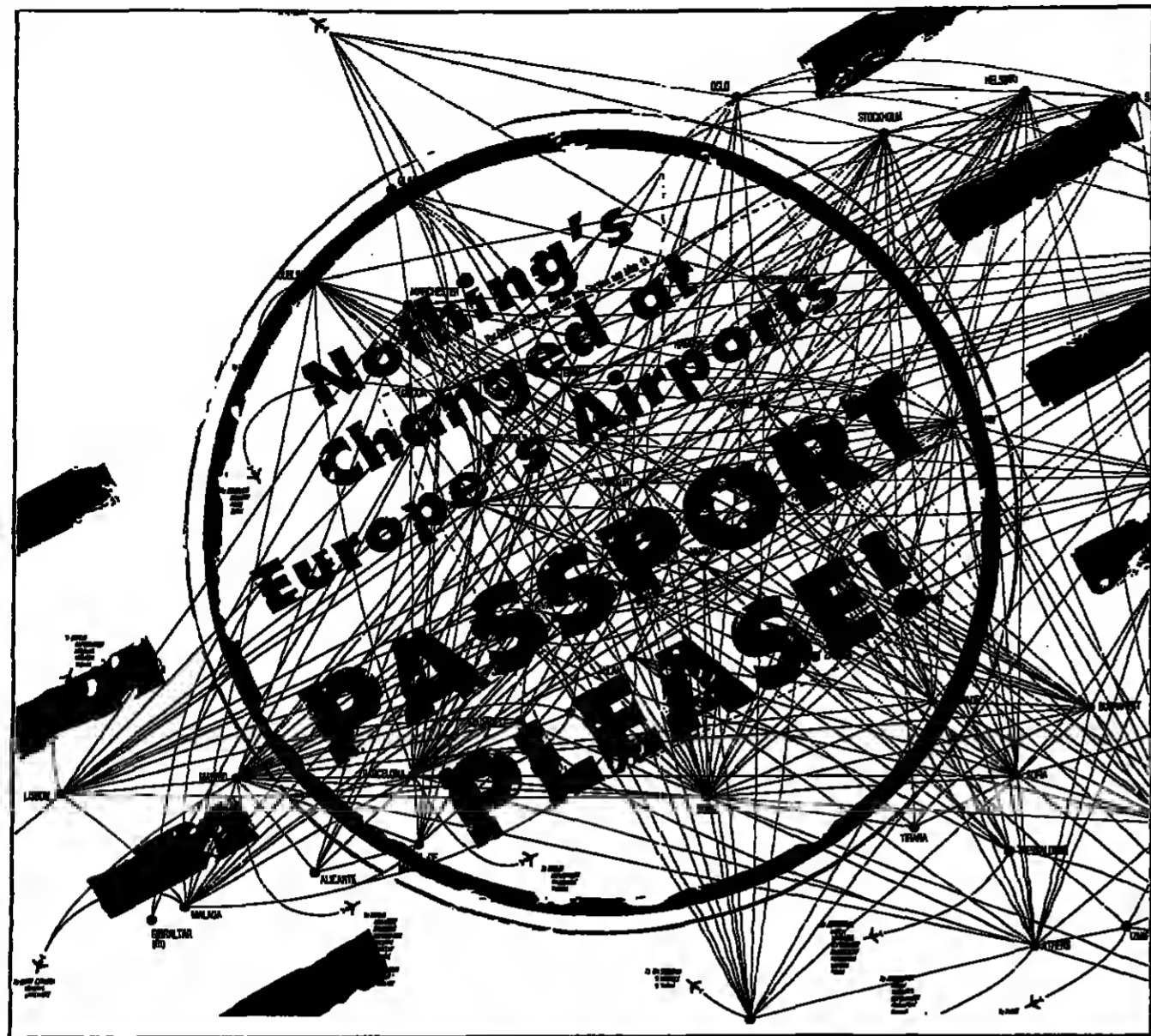
TEL. _____ FAX _____

For business orders, please indicate your VAT number.

(IHT VAT number: FR24732021126)

INTERNATIONAL HERALD TRIBUNE

Return your completed coupon to Subscription Manager, IHT, 181 Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France.
Fax 33-1-46 37 06 51 - Tel: 33-1-46 37 93 61
This offer expires March 31, 1993, and is available to new subscribers only. G



By Barbara Rosen

PARIS — Passengers arriving since Jan. 1 at Europe's major airports may well wonder what all the single market fuss was about. The principle of freer movement hasn't yet translated into faster or easier airport exits.

Travelers within the European Community now get green-striped baggage tags that, in principle, exempt them from sometimes time-consuming customs controls. At some airports they still go through the green "nothing to declare" channel; others have added a special EC or blue channel.

But officials stress their right to spot-check if they suspect criminal activity, whichever door you choose. Your chances of getting stopped may be lower, but they're not gone. "We're not stopping passengers because we suspect they're over the limit on booze," says David Chesters, the assistant collector of British customs and excise.

But spot checks "will continue if the officer has any suspicion that the passenger is carrying drugs or firearms or, especially, child pornography."

From December, airport exits should get faster for people traveling between countries that have ratified the Schengen agreement. Nine of the EC dozen, minus the United Kingdom, Ireland and Denmark, signed it, though how many of those will be ready by December remains unclear.

Inter-Schengen flights will be essentially domestic, and their passengers won't have to pass any immigration controls. Airports are busy planning how to shift gates and channels: Cost estimates for the customs and immigration changes range from 200 million francs (about \$36 million) at Charles de Gaulle and Orly airports, to more than 300 million Deutsche marks (\$185 million) at Frankfurt alone.

In theory, this change should eventually extend to include all EC countries. In practice, Britain, for one, plans to continue at least a "curious check" on even EC nationals entering Britain "for the foreseeable future," says a Home Office spokesman.

In a nutshell, airport travel in the single market will be faster within the Community and it will be faster into the Community for Community citizens than it is today in general, says Mark Hawes, director of traffic support for the International Air Transport Association.

"But for non-Community citizens entering the Community from outside, a view is developing that the time taken per passenger will increase, perhaps significantly."

Since a single port will be processing an outsider's entry into all participating countries, those with stricter or more liberal sys-

tems will be searching for a middle ground. "For Frankfurt it means that the immigration will be a little more strict and will take a little more time than before," says Wolfgang Schwalm, deputy spokesman for Flughafen Frankfurt/Main AG, the airport authority. "The passport control of non-EC citizens will take longer than before."

That can mean an immigration interview lasting three to five minutes, explains Chris-

Your chances of getting stopped may be lower, but they're not gone — and you may have to wait longer.

reach the arrival hall about 30 minutes after deplaning. London City Airport boasts you can be out of its doors in five to 10 minutes.

• **TRANSIT.** Avoid having to change terminals at transit points, and fly the flag.

Generally speaking, the national carrier has better treatment at its own base," says Condem. Flying Lufthansa in and out of Frankfurt, or Air France in and out of Paris, can mean less walking and less time to kill between planes.

• **THE BOTTOM LINE.** Carriers in better financial shape have what it takes to get you on your way faster, says Condem. Airlines have to pay for each gateway. It's cheaper, albeit slower, to open one aircraft door than two, and cheaper still to use a faraway parking spot and a bus.

• **SPECIAL SERVICE.** Many airlines channel business- and first-class passengers' checked bags into special containers that get unloaded — and onto the carousel — first. Singapore Airlines, for example, offers the same service to its frequent fliers even if they're in economy.

• **HANDS ON.** More than 1,000 Dutch-passport holders are already enrolled in a project that gets them out of Amsterdam Schiphol airport in a fraction of the normal time. For 175 guilders (about \$95), they get a card, good for one year, with a chip containing data of their fingerprint. A machine reads the card and opens one door; a second machine reads the finger and, assuming a match, opens a second door. The whole process takes 15 seconds — down from the 5-10 minutes-plus one can spend in a control line, says Nico Scheffer, head of Schiphol access control systems.

Frankfurt will begin testing a similar system on airline and/or airport staff this year. Häfner says it could ultimately cut the non-EC citizen's arrival processing time from three to five minutes to five seconds. "The prospects that this is really going to work are very good," he says, though he estimates it could take 10 to 20 years for an international standard to be implemented.

Geoffrey Lipman, president of the World Travel & Tourism Council, sees a future in which fingerprint-bearing travel documents are tied to an international database that could also contain, for example, visa information, making life even easier for the frequent flyer.

He concedes that some may object to the idea of having their prints taken (even if the prints aren't recorded anywhere besides the card), and stresses that such a system would have to be voluntary.

"For people like me who travel a lot — I don't care about having my handprint recorded," he says.

Barbara Rosen is a free-lance journalist living in Paris.

Beam Us Up! Alien Sci-Fi on TV

By Gerald Jonas
New York Times Staff

NEW YORK — The least we can expect of science fiction, which focuses so assiduously on the future, is that it be up-to-date. According to this criterion, the science-fiction series that have proliferated on U.S. television this season — "Star Trek: Deep Space Nine," "Space Rangers" and "Time Trax" — fall short.

Instead of representing an evolutionary step forward from the "Star Trek" era, which began 26 years ago with the first voyage of the starship Enterprise and is still going strong with "Star Trek: The Next Generation," the new shows prompt a sense of déjà vu. Inside their futuristic packaging they offer familiar premises and plots mostly borrowed from past television shows and movies.

For all its public resolve to be grittier and sadder than its forebears, "Deep Space Nine" launched last month with a two-hour special, comes across as no more than a "Star Trek" spinoff, set in a seedy 24th-century space station instead of a spiffy starship.

"Space Rangers" offers 22d-century space cops in a higher-tech, lower-brow "Mission: Impossible" laced with second-hand "Aliens." "Babylon 5," a syndicated movie to be broadcast in late February, features yet another space station filled with touchy humans and nonhumans with funny faces and hairdos.

"Time Trax," a syndicated hourlong series, apes a different model: by setting 22d-century villains loose in 1993 to be chased by a 22d-century policeman, it promises to be an interminable "Terminator."

You might think television would bring out the best in science fiction, whose essence is neither dialogue nor psychological insight but the pictures it awakens in the imagination.

Of course, all good fiction asks the reader's cooperation in imagining a credible reality, a detailed, coherent world — Proust's Paris, Joyce's Dublin, Faulkner's Mississippi — in which characters can plausibly act and inter-

act. But science fiction asks even more because the elaborate worlds it seeks to construct in the mind — ecosystems, technologies, social structures — are themselves imaginary.

In good science fiction, as in all good writing, it's important to get the details right. Science-fiction writers consult texts and experts in astrophysics, meteorology, plate tectonics, evolution, ecology and more to find scientifically defensible justifications for the worlds they want to write about: worlds with gravity a million times stronger than Earth's, worlds where space or time travel are commonplace.

Some writers become so involved in these details that they have no energy left to worry about characters or plot, so they fill their ingenious intellectual constructs with stick figures. But the best science fiction creates new worlds that cast light on the people who live there — people whose problems arouse sympathy despite their distance from us in time and space and biology.

IN the hands of writers like Aldous Huxley, George Orwell, Arthur C. Clarke and Ursula Le Guin, and moviemakers like Stanley Kubrick, science fiction can be a powerful stimulus to fresh thinking. It can restore to jaded sensibilities a sense of wonder about the unlimited potential of life in an infinitely large and various universe.

Meanwhile, television continues to stumble over the essential first step: creating a background world. The problem is partly lack of money, partly lack of imagination.

To set a story in a plausible 23d-century New York or Paris or Dublin would require the construction of futuristic dwellings, streets, transportation, offices, theaters. With current technology and budgets, this is impossible for a weekly series.

"Time Trax," which needs no special sets for present-day scenes, bypasses the problem but runs the risk of looking like every other cops-and-robbers shoot-'em-up. The solution most producers have chosen is to stage the bulk of the action on a permanent indoor set, with telescopes and transporter beams set, and holodecks to allow limited access to the world. Fortunately, science fiction provides the ideal set: the controlled environment inside a spaceship or space station.

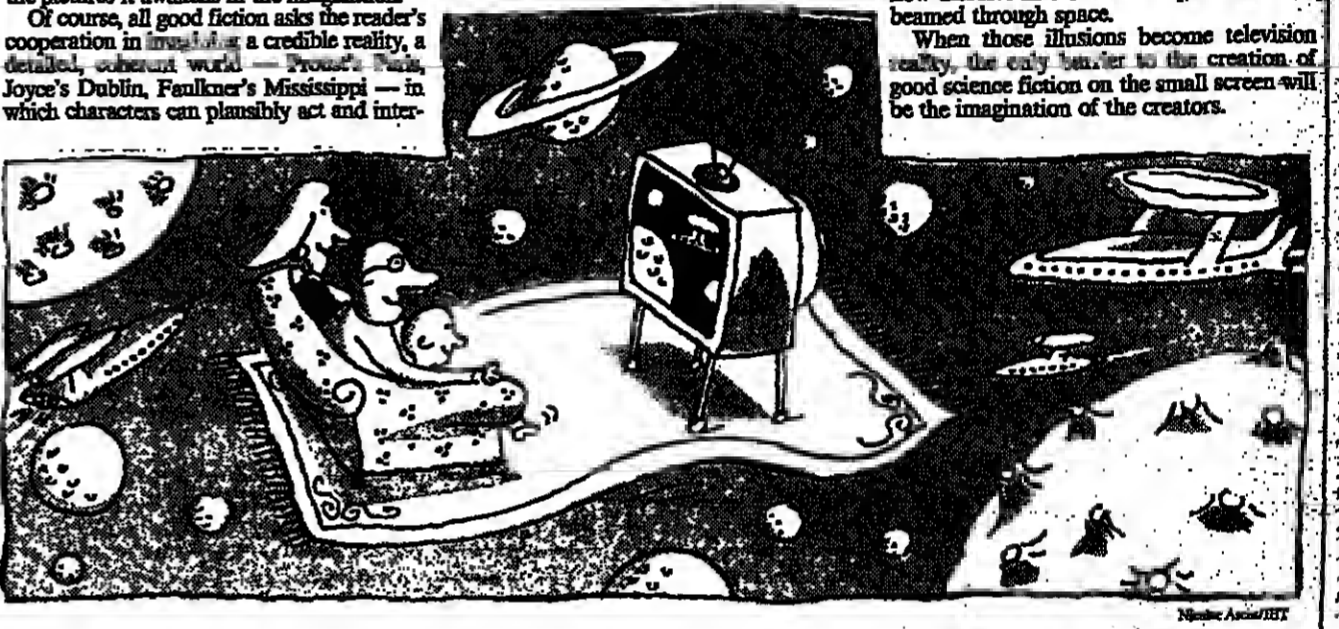
"Star Trek" was hardly the first series to discover this economical solution. In the early '50s, when television was live and special effects were minimal, "Captain Video" and "Tom Corbett, Space Cadet" sailed the space lanes, riding the galaxy of assorted evidences. Watching these shows placed a special strain on the audience, whose job was not so much to imagine a detailed world of the future as to ignore the obvious gaps in the world on screen.

I remember one space captain trying to dodge a collision with the sun by giving a couple of hand turns to a steering wheel that might have been lifted from my father's Oldsmobile 88.

AS the original "Star Trek" demonstrated, viewers will forgive almost any inadequacies of style if the characters, however wooden, are amusing enough and if the stories are stimulating. The pilot episode of "Deep Space Nine" had a thought-provoking scene in which Commander Benjamin Sisko used baseball to explain to a species that lives in an eternal moment what it is like to experience time in a linear manner.

Rumor has it that breakthroughs in computer graphics will soon make it possible to match any kind of background illusion with live actors, so characters will be able to stroll through a city of the future as easily as they now dissolve into subatomic particles to be beamed through space.

When those illusions become television reality, the only barrier to the creation of good science fiction on the small screen will be the imagination of the creators.



A Buyer's Market in Bangkok

By Philip Shenon
New York Times Staff

BANGKOK — Thailand's tourism industry is still struggling, eight months after a political crisis dealt a blow to a business worth billions of dollars a year to the nation's economy.

Large numbers of foreign travelers canceled vacations in Thailand after seeing the news coverage last May, when troops in Bangkok opened fire on Thai demonstrators demanding a more democratic government.

The political situation has since calmed. The military-dominated government that was held responsible for the street violence was replaced last fall by a civilian prime minister and a new parliament chosen in free elections.

But Bangkok is still a buyer's market, knocking down prices to win back tourists. Several luxury hotels are scheduled to open this year, with not nearly enough guests to fill them. Ask, and you will find that prices are negotiable.

For tourists willing to put up with dirty air (the worst in Southeast Asia) and traffic congestion (arguably the worst in the world), the rewards of a visit to Bangkok are ample. For no other city in Asia has quite the same talent for turning the routines of daily life into an exotic celebration.

On March 7, Thai monk Makha Bucha, which commemorates a meeting of the Lord Buddha with more than 1,000 of his disciples. The holiday ends in the evening with Bud-

dhists carrying candles and sticks of burning incense in a solemn procession around the main chapel of their temples, known as wats. Some wats allow tourists to observe the ceremony; a visitor should ask permission.

The most oppressive heat arrives in April, and to deal with it the Thais have turned the start of the lunar new year into a riotous and — for tourists willing to get wet — entertaining festival, known as Songkran. During Songkran, April 13 this year, all sculptured images of the Buddha are "bathed" and passers-by get "blessed" with buckets of water.

The Siam Society, at 131 Soi Asokhe Sukhumvit, telephone 258-3491, was founded to encourage Thai artistry and welcomes nonmembers to performances of Thai music and dance and lectures by scholars. The society is known for its excellent guided tours. On Feb. 13, it will lead one to the nearby shores of the Gulf of Thailand to the site of a newly discovered sunken ship that, archaeologists hope, will yield important information about ancient Asian trading routes. The trip includes a one-night hotel stay and costs \$120 for nonmembers. Reservations are required.

The Erawan Shrine, at the corner of Ploenchit and Rajdamri Roads, is known as a granter of wishes, and worshippers line up with garlands of jasmine and bundles of incense. The shrine has its own classical dance troupe that performs, free of charge, every afternoon and into the evening.

Within the Inner City, the area along the Chao Phraya River where King Rama I estab-

lished Bangkok as Thailand's capital in 1782, are the Grand Palace and several glittering Buddhist temples that are, for many tourists, the most recognizable sight in Thailand.

A few minutes by water taxi down the Chao Phraya is Wat Arun, the Temple of Dawn, which, covered by a mosaic of bits of broken mirrors and Chinese porcelain, is best seen by the light of dawn.

It is also at dawn that thousands of silent saffron-robed monks emerge from the riverside temples and take to the streets with begging bowls. Donors, it is thought, earn merit for their next life.

For a chance to take advantage of Thailand's substantial shopping bargains, head to the open-air markets where Thais buy clothes, furniture, medicines, plants, pets, Buddhist amulets — everything — and do their socializing. The largest is the Chatuchak Weekend Market, open all day and much of the night on Saturdays and Sundays. For tourists, it is the best source in Thailand for inexpensive handicrafts. The merchants at Chatuchak expect to haggle over prices.

For grander handicrafts — and fixed prices — try Rasi Sayam, 32 Soi 23, Sukhumvit Road, 258-4195, which has an extensive selection of beautiful things and is run by a young American, Jonathan Hayssan, dedicated to preserving traditional handicraft artistry. He sells eye-catching restored Thai looms, \$40 to \$100, used to display Thai silk wall hangings that the shop also stocks.

THE MOVIE GUIDE

Yamato wa Ki kara
Directed by Yojiro Takita.
Japan.

After the surprise success of last year's farce "Byouin e Iko" (Let's Go to the Hospital), the producers decided as a sequel to do this comedy about a woman in the final stages of stomach cancer. One of her two doctors is all for heroic measures, but the other, his brother, wants her to die with dignity in his new hospice. Like most screen heroines, dying or not, she is thus presented with a familiar dilemma: Which is Mr. Right? She goes for the hospice but then, just like Kurosawa's Kenji Watanabe, decides to have a good final three months. Out on the town, she makes a commercial for life insurance ("I Will Not Live to See Christmas"), which becomes a smash hit, and soon she is on the tube and in the mags, flaunting her dissolution. She chases her medication with champagne, wears designer pajamas, and writes her biography. ("More," says a friend listening to a reading of the manuscript. "I'm not crying yet.") Still, she returns to the hospice and her love-struck doctor, and finally illustrates the title: "Sickness Comes From the Spirit." This is accomplished in a finale incorporating blinking

Christmas trees, disconsolate Doc and a big snowfall. We are invited to gently smile, and are plainly supposed to find hilarious both Kurosawa's wayward terminal cases and final religious zeal. And it is true that when everything is horrid, laughter is funny. So how now to cap this fun-filled fling with death? Perhaps "Ikiru — The Musical!" (Donald Richie, IFT)

Homeward Bound: The Incredible Journey
Directed by Donnay Dunham. U.S.

"Homeward Bound: The Incredible Journey" is Walt Disney Pictures' clever, crowd-pleasing remake of the studio's own "Incredible Journey," a nature story first released in 1963 and now obviously dated. Based on the pet-centric novel by Sheila Burnford, it tells how two dogs and a cat are abruptly relocated, after which they set out on a long, perilous trip to find their real home. "The Incredible Journey," though sweet, was terribly creaky. It left most of the talking to a human narrator, kept the animals' thoughts a mystery and relied heavily on acting of the give-me-your-paw school. This new version improves on the original in every way by adding heartwarming drama, lots of hu-

mor, better scenery (the adventure is set in the Sierras) and, most helpfully, small talk. Thanks to crafty direction and editing, along with the lively voices of Don Ameche, Sally Field and Michael J. Fox, these pets now sound and behave just like people — chatty, wisecracking people any child will understand. "Homeward Bound" is manipulative enough to try for emotional peaks at regular intervals, but children should like that just fine. Adults, being more skeptical, can see this as Disney's obvious attempt to capture and revitalize the Lassie-Old Yeller-Rin Tin Tin franchise. If so, they may also wonder why this hasn't been attempted more often. (Janet Maslin, NYT)

Tango
Directed by Patrice Leconte. France.

The idea is hard to fault: Men and women were not meant to live together, yet separation makes for melancholy regrets. So Paul (Thierry Lhermitte) and his elegant bachelor uncle (Philippe Noiret) hire Vincent (Richard Bohringer) to track down and murder Paul's faithless wife (Mio-Mio). After a long, meandering start, with a nod to Hitchcock, the film tries to take



Philippe Noiret in Leconte's "Tango."

off, but whether by car or plane, it never really makes it. As soon as you set eyes on Mio-Mio, you know nobody would want to kill her, and this is not the only problem: These actors have tangoed together before, with light-hearted panache; they have, moreover, played the same parts many times in other films. For all Leconte's talent, the dark mirth wears thin and bitter, and something in the air smacks more of menopausal male misogyny than boyish fun. (Joan Dupont, IFT)

FRENCH COMPANY HANDBOOK 1992

TWELFTH EDITION — FULLY UPDATED

Published by
International Business Development
a division of
Herald Tribune

Now, in the 1992 edition, 124 pages of indispensable information in English on a selection of 30 of the most important French companies, as well as basic facts on other major firms.

Profiles include detailed information on:
management, major activities, sales breakdown, shareholders, subsidiaries and holdings, exports, research and innovation, 1986-1990 financial performance, 1991 financial highlights and 1991-1992 important developments, strategies and trends.

Indispensable for corporate, government and banking executives, institutional investors, industrial purchasers and other decision-makers who should be more fully informed on major French companies.

ACCOR
AEROSPATIALE
AGF ASSURANCES GÉNÉRALES
ALCANTARA
BUNIQUE NATIONALE DE TRANSPORTS
SINGLES POPULAIRES
BENEFIT GROUP
CASE DES DÉPÔTS ET DE CONSIGNATIONS
CANAL +
CARNAULT-ROUYER (FRANCIS)
COF ÉCHANGES GÉNÉRAUX
D'INDUSTRIE ET DE PARTICIPATIONS
COM GROUP
CHATELAIN
CLARINS
CREDIT LOCAL DE FRANCE
CREDIT LYONNAIS

AGRENIUM
MICHÉLIN
ROUYER
FOURÉ
LA RECOULE
INDÉPENDANCE
SIFASIS SOURCE
SCHNEIDER
SEI GROUP
SIEA
SOCIÉTÉ GÉNÉRALE (GÉNÉRAL INVESTISSEMENT)
SOCIÉTÉ GÉNÉRALE
SORBONNE
THOMSON
UNION DES ASSURANCES DE PARIS (UAP)
UNION SAOULIER
VALUO
VICTORIE GROUP

Please send me _____ copies of French Company Handbook 1992, at 280 French francs (\$64.50 per copy including postage in Europe (3 or more copies, 20% reduction). Price includes European Community Value Added Tax. Outside Europe, please add postage charges for each copy: U.S./Canada/Middle East: 30 francs (\$5.50); Asia/Pacific/Africa/rest of world: 30 francs (\$5).

Enclosed is my payment. Payment may be made in any convertible European currency at current exchange rates.
 Please charge to my credit card: Visa Eurocard Diners Access Amex MasterCard

CARD NUMBER _____ EXP. DATE _____

SIGNATURE _____ (necessary for credit card orders)

NAME (in block letters) _____ POSITION _____
 COMPANY _____
 COMPANY EC VAT ID No. _____
 ADDRESS _____ CITY/COUNTRY/CODE _____

5-2-93

NYSE

Thursday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

High Low Bid Ask

IBM	120.00	120.00	119.00	121.00
Microsoft	34.00	34.00	33.00	35.00
Apple	45.00	45.00	44.00	46.00
Oracle	28.00	28.00	27.00	29.00
Sun	32.00	32.00	31.00	33.00
Lucent	25.00	25.00	24.00	26.00
Motorola	20.00	20.00	19.00	21.00
Intel	18.00	18.00	17.00	19.00
Novell	15.00	15.00	14.00	16.00
3Com	12.00	12.00	11.00	13.00
PerkinElmer	10.00	10.00	9.00	11.00
Amgen	8.00	8.00	7.00	9.00
Genentech	6.00	6.00	5.00	7.00
Amgen	5.00	5.00	4.00	6.00
Amgen	4.00	4.00	3.00	5.00
Amgen	3.00	3.00	2.00	4.00
Amgen	2.00	2.00	1.00	3.00
Amgen	1.00	1.00	0.50	2.00
Amgen	0.50	0.50	0.25	1.00
Amgen	0.25	0.25	0.10	0.50
Amgen	0.10	0.10	0.05	0.25
Amgen	0.05	0.05	0.02	0.10
Amgen	0.02	0.02	0.01	0.05
Amgen	0.01	0.01	0.00	0.02
Amgen	0.00	0.00	0.00	0.01

IBM	120.00	120.00	119.00	121.00
Microsoft	34.00	34.00	33.00	35.00
Apple	45.00	45.00	44.00	46.00
Oracle	28.00	28.00	27.00	29.00
Sun	32.00	32.00	31.00	33.00
Lucent	25.00	25.00	24.00	26.00
Motorola	20.00	20.00	19.00	21.00
Intel	18.00	18.00	17.00	19.00
Novell	15.00	15.00	14.00	16.00
3Com	12.00	12.00	11.00	13.00
PerkinElmer	10.00	10.00	9.00	11.00
Amgen	8.00	8.00	7.00	9.00
Genentech	6.00	6.00	5.00	7.00
Amgen	5.00	5.00	4.00	6.00
Amgen	4.00	4.00	3.00	5.00
Amgen	3.00	3.00	2.00	4.00
Amgen	2.00	2.00	1.00	3.00
Amgen	1.00	1.00	0.50	2.00
Amgen	0.50	0.50	0.25	1.00
Amgen	0.25	0.25	0.10	0.50
Amgen	0.10	0.10	0.05	0.25
Amgen	0.05	0.05	0.02	0.10
Amgen	0.02	0.02	0.01	0.05
Amgen	0.01	0.01	0.00	0.02
Amgen	0.00	0.00	0.00	0.01

IBM	120.00	120.00	119.00	121.00
Microsoft	34.00	34.00	33.00	35.00
Apple	45.00	45.00	44.00	46.00
Oracle	28.00	28.00	27.00	29.00
Sun	32.00	32.00	31.00	33.00
Lucent	25.00	25.00	24.00	26.00
Motorola	20.00	20.00	19.00	21.00
Intel	18.00	18.00	17.00	19.00
Novell	15.00	15.00	14.00	16.00
3Com	12.00	12.00	11.00	13.00
PerkinElmer	10.00	10.00	9.00	11.00
Amgen	8.00	8.00	7.00	9.00
Genentech	6.00	6.00	5.00	7.00
Amgen	5.00	5.00	4.00	6.00
Amgen	4.00	4.00	3.00	5.00
Amgen	3.00	3.00	2.00	4.00
Amgen	2.00	2.00	1.00	3.00
Amgen	1.00	1.00	0.50	2.00
Amgen	0.50	0.50	0.25	1.00
Amgen	0.25	0.25	0.10	0.50
Amgen	0.10	0.10	0.05	0.25
Amgen	0.05	0.05	0.02	0.10
Amgen	0.02	0.02	0.01	0.05
Amgen	0.01	0.01	0.00	0.02
Amgen	0.00	0.00	0.00	0.01

IBM	120.00	120.00	119.00	121.00
Microsoft	34.00	34.00	33.00	35.00
Apple	45.00	45.00	44.00	46.00
Oracle	28.00	28.00	27.00	29.00
Sun	32.00	32.00	31.00	33.00
Lucent	25.00	25.00	24.00	26.00
Motorola	20.00	20.00	19.00	21.00
Intel	18.00	18.00	17.00	19.00
Novell	15.00	15.00	14.00	16.00
3Com	12.00	12.00	11.00	13.00
PerkinElmer	10.00	10.00	9.00	11.00
Amgen	8.00	8.00	7.00	9.00
Genentech	6.00	6.00	5.00	7.00
Amgen	5.00	5.00	4.00	6.00
Amgen	4.00	4.00	3.00	5.00
Amgen	3.00	3.00	2.00	4.00
Amgen	2.00	2.00	1.00	3.00
Amgen	1.00	1.00	0.50	2.00
Amgen	0.50	0.50	0.25	1.00
Amgen	0.25	0.25	0.10	0.50
Amgen	0.10	0.10	0.05	0.25
Amgen	0.05	0.05	0.02	0.10
Amgen	0.02	0.02	0.01	0.05
Amgen	0.01	0.01	0.00	0.02
Amgen	0.00	0.00	0.00	0.01

IBM	120.00	120.00	119.00	121.00
Microsoft	34.00	34.00	33.00	35.00
Apple	45.00	45.00	44.00	46.00
Oracle	28.00	28.00	27.00	29.00
Sun	32.00	32.00	31.00	33.00
Lucent	25.00	25.00	24.00	26.00
Motorola	20.00	20.00	19.00	21.00
Intel	18.00	18.00	17.00	19.00
Novell	15.00	15.00	14.00	16.00
3Com	12.00	12.00	11.00	13.00
PerkinElmer	10.00	10.00	9.00	11.00
Amgen	8.00	8.00	7.00	9.00
Genentech	6.00	6.00	5.00	7.00
Amgen	5.00	5.00	4.00	6.00
Amgen	4.00	4.00	3.00	5.00
Amgen	3.00	3.00	2.00	4.00
Amgen	2.00	2.00	1.00	3.00
Amgen	1.00	1.00	0.50	2.00
Amgen	0.50	0.50	0.25	1.00
Amgen	0.25	0.25	0.10	0.50
Amgen	0.10	0.10	0.05	0.25
Amgen	0.05	0.05	0.02	0.10
Amgen	0.02	0.02	0.01	0.05
Amgen	0.01	0.01	0.00	0.02
Amgen	0.00	0.00	0.00	0.01

(Continued on page 17)

For investment information read THE MONEY REPORT every Saturday in the IHT

THE TRIBUNE

Wall Street Journal

4th Quarter 1993 Look

NEW

Market

Other Dollar Values

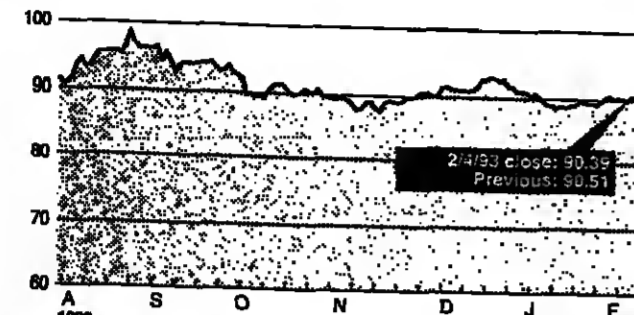
Forward Rates

سكنا من الاجل



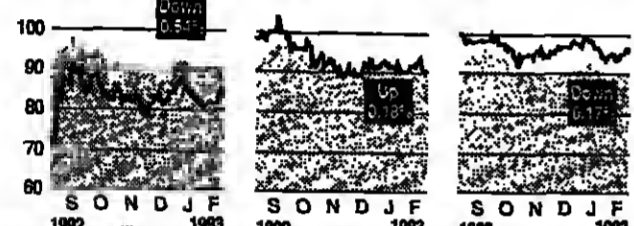
THE TRIB INDEX: 90.39

International Herald Tribune World Stock Index is composed of 250 internationally investable stocks from 20 countries...



The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and Australia... In the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization...

Table with 3 columns: Asia/Pacific, Europe, N. America. Includes closing and previous values for each region.



Industrial Sectors

Table showing percentage changes for various industrial sectors like Energy, Utilities, Finance, Services, Capital Goods, Raw Materials, Consumer Goods, and Miscellaneous.

For readers desiring more information about the International Herald Tribune World Stock Index, a booklet is available free of charge by mailing to Trib Index, 161 Avenue Charles de Gaulle, 92021 Neuilly Cedex, France.

Germany Stages Media Revolution

By Marc Fisher, Washington Post Service. BERLIN — For decades, Germans turned to the same old places for news...

four decades of postwar partial sovereignty, the country's media are changing the definition of news, adopting some U.S.-style razzle-dazzle and fighting over a long-ignored but immensely lucrative market. Germany is much larger than it was before... A new sense of Germany's importance in the world, the widening reach of major international media companies...

Japan's Rate Cut: Too Little, Too Late?

By Steven Brull, International Herald Tribune. TOKYO — Hailed two years ago as the world's top central banker...

Mr. Mieno implicitly acknowledged the criticism Thursday. Announcing the cut, he said there was little immediate risk that the new rate would renew the upward spiral in stock and property values seen in the late 1980s... The concept of an independent central bank in Japan is far-fetched...

Damages Ruling Of \$105 Million Hangs Over GM

Compiled by Our Staff From Dispatches. ATLANTA — General Motors Corp. was found negligent Thursday...

ATLANTA — General Motors Corp. was found negligent Thursday and was ordered to pay damages of \$105.2 million in the death of a Georgia teenager killed in a fiery pickup-truck crash in 1989. Analysts said GM stood to lose hundreds of millions of dollars more over time as a result of the verdict...

Montedison-Procordia Talks

Compiled by Our Staff From Dispatches. MILAN — Capping several days of speculation, Montedison SpA indicated Thursday...

MILAN — Capping several days of speculation, Montedison SpA indicated Thursday it was negotiating to sell a large stake in its Erlabmont pharmaceutical subsidiary to Procordia AB of Sweden...

EC Grouses Over British Jobs

Low Benefits and Falling Currency Raise Ire. By Erik Ipsen, International Herald Tribune.

LONDON — The recent fall of the pound is threatening to exacerbate tensions between Britain and its European Community partners over the increasingly competitive battle for jobs. Already the object of considerable Continental ire over its combination of relatively low wages and generous benefits...

'Dead End' Lies Ahead for U.K., Bérégovoy Says

PARIS — Prime Minister Pierre Bérégovoy said world growth would be hampered if leading countries followed contradictory policies...

PARIS — Prime Minister Pierre Bérégovoy said world growth would be hampered if leading countries followed contradictory policies, and he suggested that the United Kingdom had chosen a self-defeating economic course. "I feel today that Britain is going down a dead-end path..."

Big U.S. Drug Makers Come Down With Those Price-Pressure Blues

By Milt Freudenheim, New York Times Service. NEW YORK — After more than a decade of sharply rising prices for prescription drugs...



Committee on the Aging, and Senator William S. Cohen of Maine, the panel's ranking Republican, urged President Bill Clinton to include drug-price restraints in its package of health-care legislation. The changes in drug buying, which have been gathering momentum for more than a year, have soured the long-standing enthusiasm for the drug industry among Wall Street investors...

Major Considers Linking Benefits To Forced Work

LONDON — Britain said Thursday it would consider radical plans to cut its huge unemployment costs, including provisions to require some of the 3 million jobless to work to earn state benefits.

Mr. Major, one of few prime ministers to have ever been out of work, was expanding on a sentence in a speech on Wednesday that suggested he was considering a program that would require work in exchange for benefits. "My concern is to make sure wherever possible that we keep unemployed people in touch with the world of work..."

WALL STREET WATCH 4th Quarter Rally Makes 1993 Look Like a Winner

By Allen R. Myerson, New York Times Service. NEW YORK — Fourth-quarter reports from nearly two-thirds of America's 500 major companies show a strong rebound in profits, helping to support the stock market's brisk advance.

NEW YORK — Fourth-quarter reports from nearly two-thirds of America's 500 major companies show a strong rebound in profits, helping to support the stock market's brisk advance. Wall Street economists now expect the quarter's net earnings to nearly double the total from the last quarter of 1991. The 1991 results, however, were severely depressed by one-time charges for layoffs and cutbacks...

CURRENCY & INTEREST RATES

Table with multiple columns showing cross rates, Eurocurrency deposits, and key money rates for various currencies and instruments.

Major Considers Linking Benefits To Forced Work

LONDON — Britain said Thursday it would consider radical plans to cut its huge unemployment costs, including provisions to require some of the 3 million jobless to work to earn state benefits.

Mr. Major, one of few prime ministers to have ever been out of work, was expanding on a sentence in a speech on Wednesday that suggested he was considering a program that would require work in exchange for benefits. "My concern is to make sure wherever possible that we keep unemployed people in touch with the world of work..."

Table with multiple columns showing cross rates, Eurocurrency deposits, and key money rates for various currencies and instruments.

MARKET DIARY

Falling Rates Drive Dow to a New High

Bloomberg Business News NEW YORK — Stock prices soared and the Dow Jones industrial average set an all-time high Thursday as interest-rate cuts in Germany and Japan and tumbling bond yields at home fueled optimism about the domestic economy.

The Dow industrials rallied 42.95 points to 3,416.74, eclipsing the previous record of 3,413.21, set last June 1. The index has lagged

its," said Thomas Callahan, senior vice president of U.S. equities at Yamaichi International (America). "That's exactly the news the stock market likes."

Broader indexes setting records included Standard & Poor's 500 index, which rose 2.36 to 449.56, the New York Stock Exchange Composite index, which rose 1.53 to 247.98, and the Dow Jones transportation average, which jumped 37.06 to 1,579.54.

Advancing stocks outnumbered decliners about 2 to 1 on the New York Stock Exchange. Trading was very active with 346.48 million shares changing hands, up from 342.5 million Wednesday.

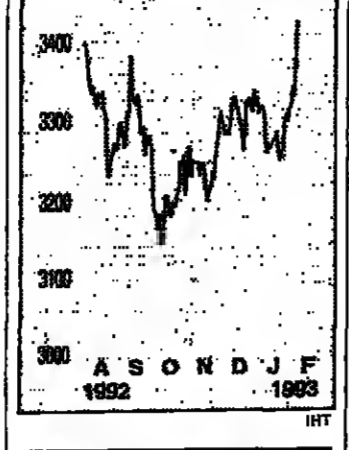
The Nasdaq Composite, weighed down by profit-taking on stocks like Microsoft and Intel, rose just 0.18 to 708.85.

Chrysler Corp., the most-active stock, gained 3/4 to 39 1/2. Merrill Lynch raised its 1993 earnings estimate, and the investor Kirk Kerkorian boosted his stake in Chrysler by buying 4 million shares through Bear, Stearns & Co. on Monday.

Waste Management Inc. fell 1 1/4 to 37 1/4 after reporting fourth-quarter earnings of 37 cents a share, up from 5 cents a share a year ago but below estimates of 45 cents. Prudential Securities lowered its rating of the stock to "hold" from "buy."

Microsoft fell 3 1/4 to \$5. Its was taken off the "buy" list at Smith Barney, Harris Upham & Co.

The Dow Daily closings of the Dow Jones industrial average



NYSE Most Actives

Table listing the most active stocks on the NYSE, including Chrysler, Microsoft, and Intel, with columns for volume, high, low, and change.

AMEX Most Actives

Table listing the most active stocks on the AMEX, including Wynn & Co., and other companies, with columns for volume, high, low, and change.

NYSE Diary

Table providing a daily diary of the NYSE, including volume, high, low, and change for various indices and sectors.

Amex Diary

Table providing a daily diary of the AMEX, including volume, high, low, and change for various indices and sectors.

NASDAQ Diary

Table providing a daily diary of the NASDAQ, including volume, high, low, and change for various indices and sectors.

Dow Jones Averages

Table showing Dow Jones averages for Industrials, Transportation, Utilities, Finance, and S&P 500.

Standard & Poor's Index

Table showing Standard & Poor's index for Industrials, Transportation, Utilities, Finance, and S&P 500.

NYSE Indexes

Table showing NYSE index values for Composite, Industrials, Transportation, Utilities, Finance, and S&P 500.

NASDAQ Indexes

Table showing NASDAQ index values for Composite, Industrials, Transportation, Utilities, Finance, and S&P 500.

AMEX Stock Index

Table showing AMEX stock index values for Composite, Industrials, Transportation, Utilities, Finance, and S&P 500.

Dow Jones Bond Averages

Table showing Dow Jones bond averages for 30 Bonds, 10 Utilities, and 10 Industrials.

Market Sales

Table showing market sales for NYSE, AMEX, and NASDAQ, including volume and value.

N.Y.S.E. Odd-Lot Trading

Table showing N.Y.S.E. odd-lot trading statistics for Feb. 5, 1993.

S&P 100 Index Options

Table showing S&P 100 index options for Feb. 5, 1993.

EUROPEAN FUTURES

Table showing European futures for Food, including SUGAR (FOX) and COCOA (FOX).

Table showing European futures for Metals, including ALUMINUM (High Grade) and COPPER (High Grade).

Table showing European futures for Grains, including WHEAT (KCBT) and SOYBEAN MEAL (CBOT).

Table showing European futures for Livestock, including CATTLE (CME) and PORK (CME).

Table showing European futures for Financial, including 3-MONTH STERLING (LIFFE) and 3-MONTH EURO DOLLARS (LIFFE).

Table showing European futures for Other, including WHEAT (KCBT) and SOYBEAN MEAL (CBOT).

U.S. FUTURES

Table showing U.S. futures for Grains, including WHEAT (KCBT) and SOYBEAN MEAL (CBOT).

Table showing U.S. futures for Livestock, including CATTLE (CME) and PORK (CME).

Table showing U.S. futures for Financial, including 3-MONTH STERLING (LIFFE) and 3-MONTH EURO DOLLARS (LIFFE).

Table showing U.S. futures for Other, including WHEAT (KCBT) and SOYBEAN MEAL (CBOT).

MARKETS: Will the Calm Last?

(Continued from page 1) mum lending rate by half a point, to 9 percent, and its minimum lending rate by a quarter-point, to 8 percent. It remains to be seen what

Foreign Exchange happens next week when it deals with private banks in setting the more significant money-market rate, currently at 8.6 percent.

Francis-Kayser Chanchaut at Banco Indosuez said he expected the market rate to drop by 25 basis points, or a quarter-percentage point. Richard Reid, Frankfurt-based analyst at UBS Phillips & Drew, saw little chance of a decline of more than 15 basis points.

Meanwhile, a Bundesbank council member, Johann Gaddum, was quoted by Agence France-Presse as saying that the cuts were "no signal" for lower money-market rates.

"The fundamental problem is not resolved," said Neil MacKinnon at Citibank in London. "The root cause of instability is that nominal and real interest rates are too high, not sustainable and incompatible with the downturn in economic activity and the increase in joblessness. If the German move does not allow Denmark and France to cut their interest rates it will have been a futile exercise."

Inflation is running at about 1 percent in Denmark and about 2 percent in France, while one-month money costs about 27.625 percent and 12.75 percent, respectively.

Optimists such as Mr. Chanchaut

insisted that by creating expectations of a decline in German money-market rates, the Bundesbank's move should enable Denmark and France to begin lowering their own short-term rates.

But Mr. MacKinnon and other doubters questioned whether such declines in Germany can be deep enough and come soon enough to allay market concerns about the stability of Denmark and France to keep rates high enough to stabilize their currencies against the mark.

Frustration over the recession is making Mr. Mieno an increasingly unpopular figure. In Kahutocho, home of the Tokyo Stock Exchange, where dwindling trading volume has devastated profits of the securities industry, Mr. Mieno has been reviled for years. Some brokers have even likened him to Saddam Hussein.

Now, he risks being made a scapegoat by the broader populace. The popular criticism of Mr. Mieno also reflects the fact that the

JAPAN: Latest Rate Cut May Be Too Little, Too Late

(Continued from first finance page) Smith, economist at Credit Suisse. Economic forecasting also has been more guesswork than usual because Japan's current recession is unique in the post-war period: Never before have all sectors of the economy turned down. In addition, the bursting of the economic bubble unleashed a vicious cycle of asset-price deflation that has been worse than expected.

The popular criticism of Mr. Mieno also reflects the fact that the

main beneficiaries of Thursday's

cut will be banks and corporations trying to refinance debt built up during the bubble era.

The cut also was aimed at propping up the stock market, which many individual investors have fled in disgust because of securities scandals. It had little immediate impact, though. The Nikkei average rose 168.76 points by mid-morning but soon slipped back to finish 31.40 lower at 17,190.63.

WORLD STOCK MARKETS

Table showing world stock market indices for Amsterdam, Brussels, Frankfurt, and others.

Table showing world stock market indices for Hong Kong, London, and others.

Table showing world stock market indices for Madrid, Milan, and others.

Table showing world stock market indices for Paris, Sao Paulo, and others.

Table showing world stock market indices for Singapore, Stockholm, and others.

Table showing world stock market indices for Tokyo, Zurich, and others.

Toronto

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

Table showing Toronto stock market indices for various sectors.

London

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Table showing London stock market indices for various sectors.

Stock indices

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Table showing stock indices for S&P 500, NYSE, and others.

Emerging Markets Propel Colgate

NEW YORK (Bloomberg) — Colgate-Palmolive Co. said Thursday that fourth-quarter net profit rose 27 percent to \$110 million, led by strong sales growth in Latin America and Asia and by its Mennen personal-care business, acquired last March.

Sales of household and personal products, which include products for oral, body, household and fabric care, rose 14 percent to \$1.53 billion, in the last quarter of 1992. Sales of other products, including pet foods and health care, rose 6 percent, to \$237.4 million from \$224.4 million. In total, sales rose 12 percent, to \$1.77 billion.

Hoover Losses Hurt Maytag's Net

DES MOINES, Iowa (AP) — Maytag Corp. said Thursday its profit plunged 46.5 percent in the fourth quarter as the appliance maker continued to be plagued by losses in Europe and intense competition in sluggish markets.

Maytag, which owns the Hoover appliance operations in Europe, said profit in the fourth quarter fell to \$11.2 million. Sales rose 7.8 percent to \$78.2 million.

The chairman, Leonard A. Hadley, said Maytag had been hurt by "continued losses in Europe, costs associated with new production facilities, intensely competitive pressures in the marketplace and sluggish economic conditions."

Higher Earnings for Food Maker CPC

ENGLEWOOD CLIFFS, New Jersey (Bloomberg) — CPC International Inc. said Thursday that fourth-quarter earnings from continuing operations rose 8.3 percent to \$117.5 million, fueled by strong food sales outside the United States.

Net income was \$70.8 million after an environmental charge of \$46.8 million related to discontinued chemical operations. CPC, whose products include Skippy peanut butter and Hellmann's mayonnaise, said sales rose to \$1.8 billion from \$1.5 billion a year earlier. Best Foods, CPC's North American foods business posted a 6.2 percent sales gain in the quarter, while Latin American food sales rose 11.2 percent and Asian sales jumped 19 percent.

For the Record

Gillette Co. said its profit rose 18 percent, to \$153.3 million, in the fourth quarter of 1992, led by a strong performance from its Sensor shaving products.

Travelers Corp. said it expected to post a \$589 million loss for the fourth quarter, largely because it was adding to reserves to cover the costs of an accelerated sale of foreclosed real estate.

Kirk Kerkorian, the investor, bought 4 million Chrysler Corp. shares in this week's stock sale to maintain his stake in the automaker at just under 10 percent, Bear, Stearns & Co. said. (UPI)

Mattel Inc., the maker of Barbie dolls, reported fourth-quarter earnings of \$35.7 million, up 20.6 percent from a year earlier, despite a 2 percent decline in sales to \$511 million. (UPI)

سكرا من الامم

De Beers Reasserts Control Fall in Angolan and Russian Output Helps

Bloomberg Business News

LONDON — De Beers Consolidated Mines Ltd., the South African diamond producer that operates the world sales cartel, has reasserted control over the market after a lull of a few months when it looked like it might lose it, analysts said Thursday.

Fears that substantial quantities of Angolan and Russian rough gemstones would escape the cartel's net have put a cap on prices over the last year and a half, and have forced the London-based Central Selling Organization to stockpile diamonds to keep prices from collapsing.

Now, however, De Beers and its selling arm have "regained total control over producers," said Howard Taylor, a member of the London Diamond Bourse. "I don't see prices coming down over the next six months, and they could actually rise."

About 80 percent of world supply of uncut gem diamonds is sold through the CSO, which operates a buffer stock to maintain price stability, adjusting the supply of diamonds to actual consumer demand and selling at a rate the market can absorb.

Eighteen months ago there was concern that De Beers was losing its ability to control prices because of escalating Angolan production following the end to civil war in May 1991.

In addition, Russia, the world's second most important diamond producer, was threatening to flood the market to raise hard currency.

Analysts said De Beers would have been hard pushed to buy up all the extra diamonds produced by Angola and Russia.

However, demand and supply are "now in balance following production cut-backs" in Angola and Russia, said Vincent Tattersall, mining analyst at James Capel & Co.

"Now, if rough diamonds were to come onto the market De Beers would buy them up and its banks would back it to the hilt," Mr. Taylor said.

Analysts said De Beers had been concerned the new Russian government would not honor a five-year contract, signed in July 1990, to sell 95 percent of its rough diamond production through the CSO.

Anxieties about the CSO's grip receded as Russian diamond output fell 15 percent last year to an estimated 10 million carats, down from 13 million in 1991. Now "there is no evidence that Russia is destabilizing the market," Mr. Tattersall said.

An end to the drought and the resumption of civil war has disrupted the supply from Angola, where output is now falling, analysts said.

The failure to find diamonds in significant quantities in Saskatchewan, Canada, has also been important in limiting supply, the analysts said.

In addition, De Beers reduced the amount of diamonds it has to buy from producers by 25 percent by exercising a deferred-purchase clause toward the end of last year.

Now, "there are signs of a pick-up in the U.S. and the Far East, excluding Japan," Mr. Tattersall said. He said the diamond market depended on sentiment and consumer confidence, "which is now improving."

The slowdown in Japan, which buys nearly 30 percent of diamonds sold in the world, has caused imports to fall, although restocking has been underway in the United States since May last year. With Japanese imports falling at a greater rate than retail sales and signs of a recovery in the United States, it seems likely rough diamond sales will rise this year and surge in 1994, Mr. Tattersall said.

Still, CSO sales fell 13 percent last year to \$3.4 billion, and a cut in De Beers's dividend is likely a result. "A 48 percent final dividend cut to a total dividend of \$0.70 a share from \$1.12 a share is likely as earnings have fallen about 30 percent," said Steve Oak, analyst at Smith New Court.

DAF Gets Continental Financing

Reuters

AMSTERDAM — Banks and the Dutch government have agreed to provide DAF NV with a loan to keep its operations in the Netherlands and Belgium in business while the company works out its debt problems, the truckmaker said Thursday, but the deal will not help workers at a British subsidiary.

Banking sources said the loan was for 60 million guilders (\$32.3 million).

It added that full production in Eindhoven would resume on Monday, assuring supplies of products and parts from the Dutch factory to DAF's plant in Westerlo, Belgium.

DAF sought court protection from creditors on Tuesday after talks with Dutch and Belgian government officials and its bankers failed to provide a rescue plan.

Court-appointed administrators are expected to take a month to work out a full salvage plan, but many of the 5,500 jobs at Leyland DAF in Britain are expected to be lost and more than 1,000 Dutch workers at DAF's Eindhoven plant on Thursday were told not to come to work. The company had about 12,650 workers overall before announcing 80 British job cuts on Wednesday.

KLM's Loss Bulges On U.S. Write-Off

Compiled by Our Staff From Dispatches

AMSTERDAM — KLM Royal Dutch Airlines NV said Thursday its net loss had widened to 437.8 million guilders (\$236.3 million) in the third quarter, from 8.6 million guilders a year earlier, as it wrote off its entire investment in its troubled affiliate Northwest Airlines.

The carrier also said it expected to report a "large" loss for the full year, which ends March 31. For the year that ended in March 1992, KLM had a net profit of 124.6 million guilders.

KLM shares faltered initially on the Amsterdam Stock Exchange, falling to 23.10 after the announcement of the loss, following a close of 25.10 on Wednesday. But the stock recovered in later trading to finish the day higher at 25.30.

The company said its net loss before extraordinary items widened to 435.7 million guilders in the third quarter, from 37.7 million guilders a year earlier.

The company had an extraordinary loss of 395 million guilders related to its write-down of the value of its stake in Northwest Airlines. But analysts said that, as a result, this source of pressure on the company would now ease.

KLM owns 49 percent of Northwest, but just 20 percent of the voting stock. The two have begun combining operations to capitalize on a U.S.-Dutch treaty that grants carriers unrestricted access to both domestic markets.

Most analysts had expected a loss for the period in the range of 60 million guilders to 100 million guilders. Some had warned that charges related to Northwest Airlines could push the shortfall to well over 200 million guilders.

Revenue was little changed in the third quarter at 1.66 billion guilders. The net loss per share was 8.34 guilders in the period, versus 21 guilder cents a share in the previous quarter.

(Bloomberg, Reuters)

Northwest Parent Slides

Losses at Northwest Airlines' parent company, NWA Inc., more than quadrupled in the final three months of last year and the airline company said Thursday it lost more than \$1 billion for all of 1992.

NWA had a loss of \$682.4 million in the October-December period on revenue of \$1.93 billion. In the same quarter a year earlier, the company had \$164.3 million shortfall on revenue of \$1.93 billion.

For all of 1992, NWA had a loss of \$1.06 billion on revenue of \$8.13 billion, compared with a 1991 loss of \$316.9 million on revenue of \$7.73 billion.

Northwest Airlines Inc., a unit of NWA, said it had a loss of \$89.1 million in the fourth quarter, excluding the effects of special charges. It reported a \$75.2 million loss in the same period a year ago.

Exchange	Index	Thursday Close	Prev. Close	% Change
Frankfurt DAX	2900	2900	2900	-0.93
London FTSE 100 Index	2700	2700	2700	-0.08
Paris CAC 40	2100	2100	2100	+0.72
Amsterdam CBS Trend	95.90	96.80	96.80	+0.93
Brussels Stock Index	5,918.89	5,923.48	5,923.48	-0.08
Frankfurt DAX	1,801.51	1,801.53	1,801.53	+0.72
Frankfurt FAZ	630.27	625.76	625.76	+0.72
Helsinki HEX	881.39	875.07	875.07	+0.72
London Financial Times 30	2,118.90	2,225.70	2,225.70	-4.80
London FTSE 100	2,885.90	2,873.80	2,873.80	-0.27
Madrid General Index	236.16	236.40	236.40	-0.55
Osaka MIB	1,184.00	1,088.00	1,088.00	+1.47
Paris CAC 40	1,854.38	1,824.14	1,824.14	+1.66
Stockholm Aftersveordtan	1,038.82	1,021.92	1,021.92	+1.75
Vienna Stock Index	N.A.	358.99	358.99	-
Zurich SSS	713.80	710.30	710.30	+0.49

MEDIA: Germany Stages a TV and Press Revolution

(Continued from first finance page)

television as Americans, the relaxation of government control over television has opened Germany for the kind of niche broadcasting common in the United States and much of the rest of Europe.

"What we are seeing now is the end of the government-supported system that forces us to pay for programs we don't want to watch," said Karl-Heinz Stahl, a media studies expert at Technical University in Berlin.

The government channels put it more bluntly. Jobst Plog, chairman of the government network ARD, told a Munich newspaper that the private channels "have a strategy to annihilate us."

Public broadcasters, funded by license fees that Germans pay for the possession of any radio, TV, intercom, baby monitor or other telecommunications device, are rapidly losing their ratings dominance. More importantly, they are losing control over the traditional German definition of news as whatever the government did today.

A recent study by a foundation funded by Chancellor Helmut Kohl's Christian Democratic Party found that the two main government channels allow more than 80 percent of their reports to political news. The same study found that private television channels devote considerably less of their news time to statements by politicians than do the government stations.

"This is still a reading society that does not trust TV," Mr. Stahl said. Mr. Kohl recently criticized the government television's decision to launch a morning program, saying that the extra coverage put too much pressure on politicians. Previously, the main channels did not go on the air until shortly before noon.

"People here don't like to hear it, but we need more America in our TV culture," Mr. Stahl said.

Focus — a colorful newsweekly that looks like Time and liberally copies such Newsweek features as the Conventional Wisdom Watch and Periscope — debuted this month, the 52d attempt to make a dent in Der Spiegel's control of the weekly market.

And, later this year, a group in Munich plans to challenge Die Zeit with an intellectual weekly to be called Die Woche.

All this is happening in the midst of a deepening recession. "Times are changing in Germany," said Mr. Prokocha of n-tv. "People were bored and frustrated by the old government-owned broadcasters. This is a big market, and it is diversifying."

Although Germans on average still watch less than half as much

RATES: Bundesbank Loosens

(Continued from page 1)

September, the Bundesbank had trimmed the Lombard rate — an emergency funding rate to the commercial banking system — to 9.5 percent from a record 9.75 percent and the less sensitive discount rate, at which commercial banks normally borrow from the central bank, to 8.25 percent from 8.75 percent, which had also been a record.

The central bank on Thursday also announced a reduction in German commercial banks' minimum reserve requirements in a move that it said reflected sharper competition in European financial markets.

The ratio at which banks must hold reserves on deposit at the central bank would be cut by 2 percentage points on March 1, it said.

Peter Puf, chief economist at Daimler-Benz AG, Germany's largest industrial group, welcomed the Bundesbank's action but said it would remain to be seen whether its justification for the cut is met. He said he would likely revise his forecast for Germany's average inflation rate in 1993 upward from 3.5 percent, his last estimate.

In the last German rates cut, in

Citroën Reported Ready to Cut 5% Of Work Force

Agence France-Press

PARIS — The French automaker Citroën plans to cut 1,629 jobs, or 5.4 percent of its work force of about 30,000, union sources said Thursday.

They said the plan to abolish the jobs would be presented to a meeting of Citroën's workers' committee on Feb. 12.

Citroën is one of the operating arms of the automaker PSA Peugeot Citroën, along with Automobiles Peugeot.

The sources said the job cuts would affect laborers, technicians, quality control specialists and white-collar employees. The plan would allow some to change jobs within the company, work part-time or take early retirement.

- Very briefly:**
- Establishments Darty et Fils, the French appliance retailer, said it was considering a link-up with Kingfisher PLC; it said no buyout by the British retailer was planned, but that if a deal went ahead, a guaranteed price would be offered for shares in Darty.
 - SGS-Thomson, the French-Italian chipmaker, posted a net profit of \$8 million in 1992 versus a loss of about \$100 million in 1991, as sales rose 12 percent to \$1.6 billion; Chairman Pasquale Pistorio predicted healthier results for 1993 given strong growth in the U.S. and Asia.
 - Spain issued 4 billion DM (\$2.4 billion) of 10-year, 7.25 percent bonds priced to yield 31 basis points over German government bonds.
 - The Moscow Interbank Currency Exchange will begin trading rubles for Deutsche marks from Feb. 10, Interfax news agency reported.
 - Nestlé Deutschland AG, the German arm of Nestlé SA, said sales rose 4.5 percent in 1992 to 6.879 billion DM (\$4.2 billion); it plans to cut its work force by 300 to 400 this year after a cut of 692 to 14,977 in 1992.
 - Italy's new car sales slumped 13.86 percent in January from a year earlier — the sharpest drop since April 1983 — to 202,209, the carmakers association Anfia said; Fiat's market share rose to 44.07 percent from 42.58 percent; Ford slipped to 11.07 percent from 12.49 percent.
- AFX, AFP, Bloomberg, NYT, AP, Reuters*

DHL Plans \$1.2 Billion Investment

Compiled by Our Staff From Dispatches

BRUSSELS — DHL International Ltd., the big air-express delivery service, announced Thursday a \$1.25 billion, four-year capital-investment program to double its capacity in Asia and Europe.

DHL said the investment program would center on ground-handling facilities, automation and communications and computer technology.

Despite sluggish economies in Europe and Japan, DHL said it expected to continue to grow as companies switched to more efficient inventory management that requires courier services. It forecast that shipments in the express-package market would increase by more than 20 percent in 1993.

DHL's chairman and chief executive, Patrick Lupo, said most of the growth was in high-technology or high-value goods and auto parts.

Lufthansa, Japan Airlines and Nissho Iwai Corp. together hold a 57 percent stake in DHL International. *(AP, Reuters)*



NO-ONE IS BETTER CONNECTED TO THE NATURAL CENTRE OF ASIA.

We fly 38 times weekly from Europe to Singapore connecting with over 300 flights to Asia, Australia and New Zealand. All aboard the world's most modern fleet, with inflight service even other airlines talk about.

SINGAPORE AIRLINES

صدا من الامل

Kiyazawa Deserves Better

Daring Helps Asatsu Stick Out in Japan

TOKYO — With Japan's corporate chiefs looking to trim expenses, advertising budgets are getting hammered. But one agency is not only holding its own, it is grabbing market share. Asatsu Inc., Japan's fifth-largest advertising agency, is the only one of the top 10 Japanese agencies to show a rise in revenue for the first time in over a year...

India Lets Foreigners Into Power

NEW DELHI — India has formally approved a \$2.65 billion proposal by Enron Corp. of the United States to set up a gas-fired power station in the western state of Maharashtra, a senior industry ministry official said Thursday. The proposal is the largest by a foreign company approved by India since the government began reforming its sheltered economy in July 1991...

Campbell Gets 54% of Arnotts Hostile Bid Advances but Control Is Elusive

SYDNEY — Campbell Soup Co.'s pursuit of Arnotts Ltd. paid off Thursday when one of the Australian bakery group's biggest shareholders accepted the U.S. company's bid for most of its shares. The Australian Mutual Provident Society, Australia's biggest institutional investor, said it would accept the offer for all but 2.3 percent of its 8.5 percent stake. The move by AMP pushed Campbell's holding in Arnotts to 53.7 percent...

Investor's Asia

Table with columns for Exchange, Index, Thursday Close, Prev. Close, and % Change. Includes data for Hong Kong, Singapore, Tokyo, Kuala Lumpur, Bangkok, Seoul, Taipei, Manila, Jakarta, New Zealand, and Bombay.

India to Investigate Bombay Bourse

BOMBAY — The Securities and Exchange Board of India has ordered an investigation into the running of the Bombay Stock Exchange, the country's biggest bourse and focal point of a billion-dollar stock market scandal, officials said Thursday. Beginning next Tuesday, the board will investigate the reporting of transactions, exchange turnover, defaults by brokers and action taken against companies committing violations, officials said...

Steel Mill Slims Down, China-Style

BEIJING — One of China's biggest steel mills is to shed two-thirds of its workers, sending another message to state-owned industry that it must either slim down or face bankruptcy. None of the workers losing jobs at the Wuhan Iron & Steel complex will be unemployed, however, according to the Xinhua news agency. Instead, all will be given new jobs connected with the state-owned enterprise. With a bloated work force of 120,000, annual output of steel and iron per worker in the Wuhan plant is well below the domestic and world average...

Very briefly:

- Thai Airways International Ltd. cut its 1992-93 net profit forecast by about 25 percent, to 2.0 billion baht (\$78.5 million), from 8.1 billion baht. Japan's powerful Keidanren business organization opened a two-day seminar in Hanoi with Vietnamese officials, economists and company executives on how to build stronger ties... Hong Kong's Census and Statistics Department said the value of retail sales in November totaled a provisional 13.3 billion dollars (\$1.7 billion), up 14 percent from the same month a year earlier...

ADVERTISEMENT

INTERNATIONAL FUNDS

Feb. 4, 1993

Large table listing various international funds with columns for fund name, asset value, and performance metrics. Includes sections for Global Funds, International Income Funds, and Bond Funds.

For information on how to list your fund, fax Simon OSBORN on (33-1) 46 37 21 33.

SPORTS OLYMPICS

Sydney Stubs a Toe, but Leads Beijing in Race for the 2000 Games

By Ian Thomsen
International Herald Tribune

Amid all of the high-tech and other-worldly predictions concerning the year 2000, did any futurists guess 20 years ago that the new century might launch an Olympic Games in red-curtained Beijing, or in a divided Berlin?

Neither city was a conceivable host to the world's athletes a generation ago. Now both are requesting the help of the Olympic movement to conquer their own pasts. Yet the momentary favorite to be host of the 2000 Summer Olympics is not so spectacular and dangerous as Beijing or Berlin. It is, rather, the sunny and noncontroversial harbor of Sydney.

The International Olympic Committee will elect its year 2000 host by secret ballot Sept. 23 in Monte Carlo. Seven cities submitted bids by the deadline Monday.

Sydney is an even-money favorite to win the Games, according to Ladbrokes Racing Limited of England, which rates Beijing at 2 to 1, Berlin 5 to 1, Manchester 6 to 1, Milan 10 to 1, and Istanbul and Brasilia 20 to 1. Yet such odds are only the pole position. The key checkpoints of the race include visits to each city by an 11-person IOC committee in March and April, and the personalized lobbying of the 91 voting IOC members.

The favorite got off to a bad start Sunday, when two IOC members were delayed up to four hours leaving Sydney by a dispute among airport unions.

If IOC members are sincere in their private testimony, Sydney is at the top, in part, because it is the safest choice. Beijing, the most intriguing bidder, must still deal with memories of Tiananmen Square, while the other five cities are flawed in major ways.

This being their third successive bid for the Olympics — Brisbane and Melbourne failed previously — the Australians understand what to promise and how to promise it. Wary of complaints about its remote location, Sydney has budgeted \$30 million to pay for the round-trip airfares of the estimated 15,000 Olympic athletes and officials.

Seventy percent of their facilities either exist

or are under construction, with a riverside Olympic complex including the main stadium and villages planned for a 650-hectare (1,600-acre) site just 14 kilometers (nine miles) from city hall.

For the first time, every athlete would be able to live in one village, as no venue would be more than 30 minutes drive away. Sydney's proposed dates of Sept. 16 to Oct. 1 are in the Australian spring, its driest time of the year, when — a

'I am very sorry, sir, that you have brought this up,' said the Chinese official, when asked how he spins the 1989 crackdown with IOC voters.

spokesman points this out before being asked — the ozone protection is at its strongest.

No doubt Sydney's fear is that its technical superiority might be conquered by the dynamics of opening Beijing to the new century. Yet to go to China is to risk being used. For all the world, Tiananmen Square remains a landmark to promise torn inside out — the slaughter of students, an army turned against its own people. Should it award the Games to Beijing, the IOC will be accused of selling its festival of hope to a host known well for trampling such hope.

For its part, Beijing must persuade the IOC that the Olympics will not be used as a self-justifying reward, but rather as the means to a gradual opening of China. Billboards throughout the city have prevailed upon citizens to support the bid.

"I am very sorry, sir, that you have brought this up," said Tu Mingde, deputy secretary-general of Beijing 2000 Olympic Bid Committee, when asked how he spins the 1989 crackdown on pro-democracy demonstrators with IOC voters.

"In my work I have seen people are more and more positive in this aspect," he said. "IOC members have said to me, 'We never realized Beijing was such a beautiful, modern city. People are so happy always, with broad smiles. The people are so easygoing, always bubbling.'"

"To hold the Olympics in Beijing would be very good for the Olympic movement and also for China itself," he continued. "It would help us quite a lot with our carrying-out of our open-door policy and reform policy."

Few doubt China's ability to create a suitable stage. The city would build a 100,000-seat Olympic stadium, joining the stadiums of 80,000 and 50,000 seats that served Beijing as host of the 1990 Asian Games.

Yet competitors in the monthlong Paris-Moscow-Beijing motor rally last fall complained that the celebration of their finishing drive into Tiananmen Square was tainted by the security forces, who lined the route so thickly as to blot out the spectators.

At one point Berlin was the favorite for 2000, with the 1936 Olympic Stadium to be refurbished. But Berlin officials acknowledge that German anti-foreigner violence is hurting their chances. Neither the government nor the public has enthusiastically supported the Olympic movement amid the country's struggle for unity. While officials tout a recent poll of 2,000 Berliners showing 53 percent in support of the Olympic bid, the same survey showed 46 percent opposed.

The city's bid committee tries to argue that the Olympic movement can only help to mend Berlin.

"Our unique selling point is the symbolic value of the city," said Frank B. Halfar, personal assistant to the general manager of the Berlin Olympic Bid Committee. "It's a city where just three years ago the Wall came down and the gates were opened. It symbolizes the spirit of coming together in bonding gaps like no other place on this planet."

How does that spirit jibe with signs of a Germany intolerant of foreigners?

"We hope in a rather short time it will be shown that in the year 2000 there will be no such incidents," Halfar said.



One of the many billboards in Beijing that have prevailed upon residents to support the city's bid to stage the 2000 Summer Olympics.

The other cities face great hurdles:

● Istanbul could claim to be the first city to host an Olympics on two continents, Europe and Asia, but it must assuage doubts over its technical abilities to serve as the world's sporting capital for three weeks.

● In Manchester, England, the majority of Olympic facilities would be built in a former industrial site only after the Games are awarded.

Lacking are the beauty and readiness of Sydney, as well as the symbolism of Beijing or Berlin. Readily apparent are the security problems involving the Irish Republican Army.

● Milan is in the midst of a major scandal involving more than 100 city politicians accused of accepting bribes from businessmen. Its city leaders waited until Saturday to endorse its Olympic bid, by a vote of 42 to 33. Milan claims

that 80 percent of its facilities are in place, in need of mere refurbishing. The sailing competition would be allotted to Venice.

● Brasilia can show only a subpar soccer stadium, gymnasium and swimming pool. The Brazilian press has paid scant attention to its bid. The city would require an infusion estimated at \$1.1 billion to host the Games. Brazil is in the throes of a soaring inflation rate.

French Body Gives FISA Assurances

The Associated Press

PARIS — The president of the French Federation of Automobile Sports said Thursday that he had given the necessary guarantees to the sport's international governing body to allow the French Formula One Grand Prix to be held.

The race had been scrapped because of tough French laws against cigarette advertising, which usually emblazon Formula One cars and the drivers who race them.

Jean-Marie Balestre, head of the French federation, said he had telephoned Max Mosley, his successor as president of FISA, the sport's governing body, to say there was now nothing holding back the running of the French race in July.

"I will send a letter during the day to ask for an official procedure to accelerate the examination of the dossier," Balestre said. "I am going to meet Mr. Mosley and Bernie Ecclestone Tuesday and Wednesday in London."

"I think in the next two weeks," he added, "FISA will give its agreement."

Ecclestone is president of the Formula One Constructors' Association.

FISA's World Motor Council decided at its year-end meeting to

scratch the 1993 French Grand Prix after the French federation initially could not guarantee that cars and equipment bearing cigarette logos would be exempt from seizure under the ban on tobacco advertising.

The law bans all forms of cigarette advertising, a major form of revenue for motor racing.

In November, a court in Quimper, France, fined the Williams team 30 million francs (\$3.5 million) under an anti-tobacco law for displaying Camel logos in a broadcast televised from the Australian Grand Prix.

But since then, the French Senate passed an amendment that will allow the broadcasting of images from other races throughout France. The anti-tobacco activists also dropped a suit last month against the Williams team.

A special fund for motor sports in France to make up for the missing revenue from tobacco advertising was also created.

FISA had said it was waiting for the guarantees from the French federation and that World Council members could either vote by fax or at the next meeting in March to reinstate the French Grand Prix.



Austria's Anita Wachter charging down the combined slalom course on Thursday at the world championships in Shizukushi, Japan.

Wachter Triumphs In Combined Slalom

Compiled by Our Staff From Despatches

SHIZUKUSHI, Japan — Anita Wachter of Austria, the leader in the World Cup overall standings, won the women's combined slalom on Thursday and stamped herself as one of the favorites for the combined gold medal at the world alpine skiing championships.

Wachter completed two runs through weather ranging from balmy sunshine to blizzard in 1 minute, 8.89 seconds. But to win the combined, she must excel in the downhill portion, and her chief rival is likely to be Miriam Vogt of Germany.

Vogt, one of the world's best downhillers, was second in the slalom, 0.2 seconds behind.

The combined slalom was the first race to be contested in the championships, which began with the postponement of the women's combined downhill on Wednesday. The combined downhill and the women's open downhill, scheduled Thursday, have yet to be rescheduled.

The forecast for Friday was for improving conditions with some sun and temperatures rising to near freezing.

Meanwhile, the Italian star Alberto Tomba arrived on Thursday, with controversy close behind.

Tomba, who missed the opening ceremony on Wednesday, faced a potential deal in his prospects for winning his first world championship gold because of possible changes in the competition timetable.

Marc Hodler, president of the International Ski Federation, suggested that the men's slalom could be brought forward one week to Sunday if the weather forced the men's downhill, the championships' glamour event, to be called off or staged earlier than Sunday, when it is scheduled.

The men's slalom is scheduled for Feb. 14. Organizers need a showcase event for the weekend to satisfy television, sponsors and spectators. Tomba would fit the bill, but he could be hampered by the rescheduling because of jet-lag and lack of training.

"I still feel a little jet-lag," he said. "The possibility of a change in the schedule worries me a bit." (AP, UPJ)

DENNIS THE MENACE



* WHY IS TOMORROW ALWAYS GETTING HERE BEFORE I'M THROUGH WITH TODAY? *

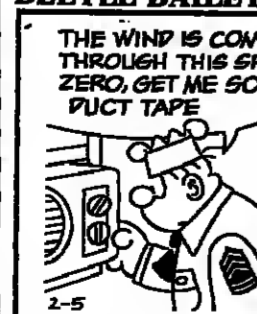
PEANUTS



BLONDIE



BEEBLE BAILEY



DOONESBURY



CALVIN AND HOBBES



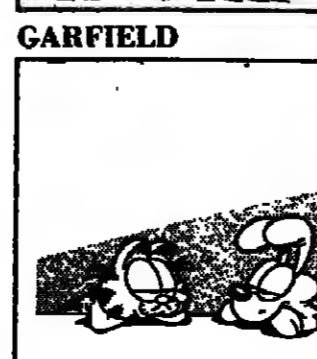
WIZARD OF ID



REX MORGAN



GARFIELD



JUMBLE THAT SCRAMBLED WORD GAME

Use the letters from Jumble to form words that are related to the theme. Write your answers in the boxes below.

TINAF

TRINP

TREETH

SELJNS

Answer here: A

To our readers in Switzerland it's never been easier to subscribe and save. Just contact us at our Zurich office. Phone: (01) 481 7200 Fax: (01) 481 8288

سکتا من الاميل

SPC

Kansas State and Duke served by Clutch Sh...

COLLEGE BASKETBALL

... Kansas State ... Duke ... Clutch Sh...

SIDELINES

King to Promote ... MEXICO ...

Hillsborough V

LONDON (AP) ... stadium ...

For the Record

Paul Robinson ...

NYS

Thursday's ...

SPORTS

Kansas St. And Duke Saved by Clutch Shots

The Associated Press There should be no problem imagining a big shot by Bobby Hurley paving the way for another Duke victory. But clutch free throws by Kansas State's Anthony Beane? That's another matter.

COLLEGE BASKETBALL

Key 3-pointer in the No. 5 Blue Devils' victory over No. 6 North Carolina, Beane put aside his 66-percent efficiency from the line to give the Wildcats a 62-61 victory over No. 16 Oklahoma in Manhattan, Kansas, on Wednesday.

In Durham, North Carolina, Hurley had not scored a point in the second half and Duke (16-3, ACC 5-3) was clinging to a three-point lead over the Tar Heels (17-3, 6-2). Then he popped a long one to start a 20-9 final push that led the Blue Devils to an 81-67 victory.

Kansas State (14-3, 4-1 Big Eight) got the ball after Terry Evans of Oklahoma (14-6, 2-3) missed the front end of a one-and-one free throw with 20.3 seconds to go.

Following a timeout, Beane brought the ball up court and tried a 15-footer that was blocked by Pete Lewis. During the struggle for the loose ball, a foul was called on Angelo Hamilton, sending Beane to the line for a one-and-one.

No. 2 Kentucky 87, Mississippi State 63: The Wildcats (16-1, 7-1 SEC) proved rude hosts to the Bulldogs (11-8, 3-5), winning on the strength of 23-2 and 14-6 surges.

No. 4 Cincinnati 98, Austin Peay 61: The Bearcats (17-1), getting 31 points from Nick Van Exel, won their 14th straight game while handing the visiting Governors (3-15) their 13th straight loss.

No. 11 Vanderbilt 76, South Carolina 72: The Commodores (17-3, 7-1 SEC) won their sixth straight game, thanks to Billy McCaffrey, who scored six of his 27 points in the final 53 seconds to beat the visiting Gamecocks (8-10, 4-5).

Villanova 82, No. 15 Pittsburgh 76: Lance Miller scored 20 of his 27 points in the second half as the visiting Wildcats (7-9, 3-7 Big East) won their second game in a row after seven losses. The Panthers (13-4, 6-4) lost their second in a row.

No. 19 Purdue 62, Ohio State 57: Glenn Robinson scored 29 points, including two free throws that put the visiting Boilermakers (13-4, 4-4 Big Ten) ahead for good with 1:41 left. The Buckeyes (9-8, 2-6) lost their sixth straight game.



The 76ers' Hersey Hawkins found no way around Alonzo Mourning, Charlotte's rookie center. Mourning had 29 points and 15 rebounds in the Hornets's 129-118 NBA victory in Philadelphia.

Owners Ban Schott for One Year

Reds' Chief Also Fined \$25,000 for Racial and Ethnic Slurs

Compiled by Our Staff from Dispatches CHICAGO — Marge Schott, owner of the Cincinnati Reds, has been suspended from baseball for one year by major league baseball's governing executive council for her alleged and admitted racial and ethnic slurs. She was also fined \$25,000.

If Schott complies with the terms of her suspension, which begins March 1, she will be reinstated on Nov. 1. She would then be on probation until Feb. 28, 1994.

During the ban, she will not be permitted to be involved in decisions affecting the day-to-day operations of the team, but her controlling interest in the Reds is unaffected. Although she will not be able to sit in the owner's box at field level at Riverfront Stadium, Schott, 64, will be allowed to attend Reds games.

Schott's attorney, Robert Bennett, said that he had secured concessions for his client in return for her pledge not to sue baseball over her punishment.

"I've learned that a reasonably good settlement is better than a successful suit," Bennett said at a news conference Wednesday night after the announcement of the penalty. "We felt that accomplishing this way what we could have accomplished through a lawsuit."

Schott had no comment on the decision, but Bennett said she was "very upset and very depressed — I don't mean in a clinically sort of way — that she has been singled out."

Hank Aaron, baseball's career home run leader and a senior vice president with the Atlanta Braves, said the penalty was too lenient.

"I know Marge is laughing all the way to wherever it is she is going," he said. "She won't do any more of this. She's very disappointed. That just gives everybody else, the owners, the right to do and say what they want. Nobody is going to attack one of their own peers. It's a country club."

"I send out a message that we're still living in a captivity world where blacks are treated no better than 20 or 30 years ago," he added.

Each side had its own view of what took place over the past two days, Bennett said that he had negotiated a settlement that Schott

could live with, haggling with baseball's lawyers and the chairman of the 10-member executive council, Bud Selig, since late Tuesday night.

But Selig, the Milwaukee Brewers president, insisted that no deal had been struck. He said the council, which is running baseball in the absence of a commissioner, made its decision and then secured an agreement from Schott to comply without bringing a legal challenge.

"We reached an opinion; that decision was accepted by Mrs. Schott," said Selig, who indicated that the council had voted unanimously. "This was a decision on what we felt was clearly in the best interests of an institution we care very deeply about. We had to do what we felt was right."

"Mrs. Schott's remarks reflect the most base and demeaning type of racial and ethnic stereotyping," he said, "indicating an insensitivity that cannot be accepted or tolerated by anyone in baseball."

Schott also was ordered to attend multicultural training programs conducted by an organization deemed acceptable by the council.

Schott named the Reds' general manager, Jim Bowden, to take over the club's day-to-day operations. According to Bennett, Schott agreed to the suspension only after granting two concessions: that she be allowed to attend games and that her status as managing partner be unaffected, which means she will still earn revenue from the team.

Schott became the fourth baseball owner in the New York Yankees' George Steinbrenner was suspended in 1943 for betting on his team. The New York Yankees' George Steinbrenner was banned twice — first in 1974 after pleading guilty to conspiring to make illegal contributions to Richard Nixon's presidential campaign, then in 1990 for paying Howard Spira \$40,000 to obtain information to discredit outfielder Dave Winfield. Steinbrenner is still serving the 1990 suspension, but is scheduled to return to the helm of the Yankees next month.

Ted Turner, owner of the Atlanta Braves, was suspended in 1977 after having tampered with the potential free agent Gary Matthews.

The executive session was the final chapter in a saga that began in mid-November when allegations that Schott made racist and anti-Semitic remarks and used ethnically insensitive comments about Japanese were first made public.

Schott has acknowledged using the term "nigger" and has been quoted as using phrases such as "money-grubbing Jew." She has also been forced to defend her belief that Adolf Hitler was good for Germans in the beginning of his Nazi dictatorship "but he went too far."

She became the target of an investigation after Tim Sabo, a former Reds financial officer, made charges in a suit against her, stating that Schott routinely used racial slurs and ordered him not to hire minority personnel. Sharon Jones, a former official with the Oakland Athletics, also accused Schott of making racist comments about African-Americans and vowing to never hire one while on a 1987 telephone conference call with fellow owners.

Schott has since denied most of Sabo's charges and all of those by Jones, but has acknowledged other complaints, such as keeping a swastika as a souvenir.

On Wednesday, Jones said the punishment was "too little, too late."

Other slurs were appropriate, Abraham H. Foxman, director of the Anti-Defamation League, said baseball's "strong stand against bigotry and prejudice is to be commended."

The Reverend Jesse L. Jackson, who has threatened Opening Day boycotts unless baseball improves minority hiring, called the decision "a responsible step." But he warned there could still be boycotts unless other teams hire more minorities.

Tyrone Yates, a black Cincinnati city councilman who had urged a three-year suspension, compared the penalty with Jackie Robinson's breaking of baseball's color barrier.

"I believe this decision is as significant a signal as Branch Rickey's elevation of Jackie Robinson to the major leagues in 1947," Yates said. He added that while it was "a sad day" for those who had sought a stiffer punishment, it was also "a giant leap forward."

(WP, NYT, AP)

She May Have Many Sins, But She Is Paying for the Sins of the Many

By Ira Berkow New York Times Service

CHICAGO — The hypocrisy of the Marge Schott judgment by major league baseball is that the owners are punishing her for the wrong thing.

They have no business coming down on her for racial and ethnic slurs that were uttered in private — something, to be sure, some if not many of them have said in one way or another themselves. And if they haven't said it, they haven't acted as though they believe such racial and ethnic stereotypes are written in stone, or at least the baseball bylaws.

She certainly has the right of free speech as stated in the U.S. Constitution, and can say anything she wants, as hateful as it might be. That's one of the beauties of a democracy, that we can tolerate reprehensible speech, but we don't have to like it, or do business with those who express that speech.

The best thing that could have happened for Cincinnati fans to boycott the Reds. And for fans around the country to boycott Reds games. But the owners feared some kind of backlash that might injure their business interests, so they were forced to act.

What Marge Schott should have been reprimanded for was that, as principal owner of the Reds, she did not hire minority employees in her front office at Riverfront Stadium. Since she took over as the leading light of the Reds in 1984, she hired exactly zero black or Hispanic employees in the front office.

There are 45 front-office employees and, until her remarks were publicized last summer, there had been only two blacks on the staff. One was a black man who worked on the grounds crew and whom she in fact elevated to head of his group. He eventually quit to take a job outside baseball.

The other black employee in the front office is a woman who works in the ticket department. When it came to light in a trial deposition by a dismissed employee that she had used such phrases

as "million-dollar niggers" in regard to Reds' players like Eric Davis and Dave Parker, and passed remarks such as "money-grubbing Jews" in reference to people with which the club was doing business, and widely used a term like "Jap," which some take as pejorative in this racially sensitive

climate, the owners were forced to take notice. They were moved to even greater action when the Reverend Jesse L. Jackson and the Reverend Al Sharpton threatened to organize boycotts by fans and even players in regard to games that National League teams played against the Reds,

whether in Riverfront Stadium or visiting parks. What's riveting here is that none of Marge Schott's words or actions came as surprises to the owners. After all, many knew or heard of her crude remarks. Even if they had not heard any of her epithets in person, they certainly heard of the talk of Marge, since word travels quickly in the tight society of big-league baseball.

And if any say they know nothing of her raw language, they cannot claim ignorance about her hiring practices. And if they do, then their ignorance is inexcusable, and probably willful. Because the league keeps track of minority hirings and the rate of minority percentages.

Right now, the average number of minority employees in the front offices of the combined 28 clubs is 17 percent. This is up from 2 percent in 1987, a time that is described in baseball as the "pre-Campanis" era.

This era was ushered in when Al Campanis, then general manager of the Los Angeles Dodgers, embarrassed himself and his employers by saying on national television that blacks didn't have "the

necessities" to be managers and general managers in the majors at that time.

Campanis — who was not an owner — was fired by the Dodgers for his remarks. From that point forward, baseball teams in the ironically termed "national pastime" (which systematically have excluded large portions of the populace) have been pushed, if not shoved, by the commissioners Peter Ueberroth, Bart Giamatti and Fay Vincent to hire more minority personnel.

But most teams have still been slow. Why? For these reasons: When one general manager wanted to trade for a black player, his owner — not Schott — said, "We've got too many niggers on the field." Another owner, referring to the painful of Jewish owners, said, "The Jews are ruining baseball."

The feeling here is, Marge Schott is the opposite side of the coin from the Greek Orthodox Church. By that is meant, the head priest in that church is called the first among equals. In the case of baseball owners, Marge Schott may be the worst among equals. And she's most publicized. For these sins, her equals have judged her.

(WP, NYT, AP)

SIDELINES

King to Promote Lewis-Tucker Bout

MEXICO CITY (AP) — Don King submitted the highest bid and will promote Lennox Lewis's defense of his World Boxing Council heavyweight title against Tony Tucker.

Faldo Shares the Lead in Singapore

SINGAPORE (Reuters) — Nick Faldo took a share of the lead Thursday with a first-round 67 in the Johnnie Walker Classic golf tournament.

The world's No. 1 golfer, whose joint 26th place finish in Dubai on Sunday was his worst European tour performance since May 1991, shared the three-under-par lead with his fellow Briton Darren Clarke, Peter Senior of Australia and Boonchu Ruangkit of Thailand.

Hillsborough Victim Allowed to Die

LONDON (AP) — The parents of a soccer fan injured in the Hillsborough stadium tragedy that claimed 95 lives, on Thursday won a long legal battle to allow their son to die.

Tony Bland, 21, has been on life support for nearly four years, living in a permanent vegetative state since the disaster in April 1989. He was one of hundreds of fans crushed before the Football Association Cup semifinal between Liverpool and Nottingham Forest at Sheffield's Hillsborough stadium. Bland's head was crushed and his brain starved of oxygen. Medical experts said he had no chances of recovery.

His parents, Allan and Barbara Bland, fought through the High Court, Appeal Court and finally the House of Lords for the right to withdraw his life-support system. On Thursday, five law lords unanimously dismissed an appeal by the government legal officer. Without life-support treatment, doctors said Bland would die without pain within days.

For the Record

Paul Holliman of Britain retained his WBC world featherweight title on Wednesday in London, stopping Ricardo Cepeda of Puerto Rico in the fourth round. (Reuters)

SCOREBOARD

BASKETBALL

NBA Standings table showing Eastern Conference and Western Conference standings with columns for team, W, L, Pct, GB, and Home.

Major College Scores table listing scores for various college basketball games.

Major College Scores table listing scores for various college basketball games.

Major College Scores table listing scores for various college basketball games.

Major College Scores table listing scores for various college basketball games.

Major College Scores table listing scores for various college basketball games.

Major College Scores table listing scores for various college basketball games.

Major College Scores table listing scores for various college basketball games.

HOCKEY

NHL Standings

NHL Standings table showing Eastern Conference and Western Conference standings.

NHL Standings table showing Eastern Conference and Western Conference standings.

NHL Standings table showing Eastern Conference and Western Conference standings.

NHL Standings table showing Eastern Conference and Western Conference standings.

NHL Standings table showing Eastern Conference and Western Conference standings.

NHL Standings table showing Eastern Conference and Western Conference standings.

NHL Standings table showing Eastern Conference and Western Conference standings.

NHL Standings table showing Eastern Conference and Western Conference standings.

CRICKET

Wales Conference

Wales Conference table showing scores for various cricket matches.

Wales Conference table showing scores for various cricket matches.

Wales Conference table showing scores for various cricket matches.

Wales Conference table showing scores for various cricket matches.

Wales Conference table showing scores for various cricket matches.

Wales Conference table showing scores for various cricket matches.

Wales Conference table showing scores for various cricket matches.

Wales Conference table showing scores for various cricket matches.

SKIING

World Championships

World Championships table showing results for various skiing events.

World Championships table showing results for various skiing events.

World Championships table showing results for various skiing events.

World Championships table showing results for various skiing events.

World Championships table showing results for various skiing events.

World Championships table showing results for various skiing events.

World Championships table showing results for various skiing events.

World Championships table showing results for various skiing events.

NYSE Thursday's Closing table showing stock market data including high, low, and volume for various stocks.

OBSERVER

Pass the Sarsaparilla

By Russell Baker
NEW YORK — Washington is tough. Washington reporters who infect the weekend TV gab shows kept saying it. "A tough town." You could sense their pride in that toughness. That tough town was their town, they had flourished in it, which showed they were tough too: it tough crowd who had risen to the top in a tough town.

seemed to end with the inauguration parade.
In no time at all, an unlikely gang with little in common except hardness of nose made quick hash of a Clinton campaign promise to stop military discrimination against homosexuals. In this he seemed outgunned by grizzlier toughness and outwitted by superior cunning.

Down a Hard Road: The Writer as Outlaw

By David Streitfeld

GOOD GRIEF, Idaho — Jimlois, private eyes, death row inmates, folks on the lam from the law or themselves, psychotics and institutionalized misfits who look like they've had all the meat sucked out of them. Welcome to Denis Johnson's world. In five highly regarded books of fiction, he has never created a character who could be deemed a model citizen. That's probably because the writer spent years being somewhat less than respectable himself.



The occasionally clean-shaven Johnson: "I just felt like I had a headache ever since the minute I was born."

To get to Johnson's lair, you go out behind the bar, take the worst-looking road, and hope for the best during the next five miles. The difficulty of making it down this gravel path is part of the reason Johnson likes it; some new construction nearby has him worried that the neighborhood is getting too crowded. The soaring population density is increasing his blood pressure as well.

PEOPLE

The Rumors Are True: Bhutto Has 3d Child

After denying for months that she was pregnant, former Prime Minister Benazir Bhutto of Pakistan gave birth by cesarean section to a girl in a British hospital, where she was being treated for gallstones, according to news reports Thursday. In a hotly worded denial in January, Bhutto's political secretary, Naheed Khan, said, "This is the sort of news you published during the elections of 1990 and you were wrong then and you're wrong now."

WEATHER

Table with weather forecasts for various regions including Europe, North America, Asia, Middle East, and Oceania. Columns include location, today's weather, and tomorrow's weather.

CROSSWORD

Crossword puzzle grid with clues for Across and Down. Includes a solution for the puzzle of Feb. 4.

BOOKS

UPON THIS ROCK: The Miracles of a Black Church. By Samuel Freedman. 373 pages. \$22.50. HarperCollins. Reviewed by Francine Prose

BRIDGE

By Alan Truscott
The diagramed deal is an example of Werdelin at work. He was in three no-trump, and the spade queen was led. He won the king in dummy, and was anxious to develop diamonds without allowing East a quick opportunity to continue spades.

BRIDGE

By Alan Truscott
The diagramed deal is an example of Werdelin at work. He was in three no-trump, and the spade queen was led. He won the king in dummy, and was anxious to develop diamonds without allowing East a quick opportunity to continue spades.

BRIDGE

By Alan Truscott
The diagramed deal is an example of Werdelin at work. He was in three no-trump, and the spade queen was led. He won the king in dummy, and was anxious to develop diamonds without allowing East a quick opportunity to continue spades.

Large advertisement for AT&T USADirect Service. Features a large image of a clock and the text 'Now good news can travel even faster.' Includes a table of international access numbers for various countries.